

**ANNUAL REPORT
2024**



**BUILDING A
GREATER
JAMAICA**



**COMMITTED TO
JAMAICA'S GROWTH
AND SUSTAINABILITY**





SHAQUINA

“Sustainable growth starts from within. A company can only expand as fast and as strong as the people building it.”

Shaquina Francis
Quality Coordinator

COMMITTED TO JAMAICA'S GROWTH AND SUSTAINABILITY

CONTENTS

Company Overview	2
Strategic Framework	3
Corporate Information	4
Ten-year Financial Summary	6
Social Impact	8
Chairman's Statement	12
Board of Directors	18
Directors' Report	24
Corporate Governance	26
Executive Team	36
Managing Director's Report & Management Discussion	42
Independent Auditors' Report	52
Group Income Statement	61
Group Statement of Comprehensive Income	62
Group Statement of Financial Position	63
Group Statement of Cash Flows	64
Group Statement of Changes in Shareholders' Equity	65
Company Income Statement	66
Company Statement of Comprehensive Income	67
Company Statement of Financial Position	68
Company Statement of Cash Flows	69
Company Statement of Changes in Shareholders' Equity	70
Notes to the Group and Company Financial Statements	71

Company Overview

OUR MISSION

Caribbean Cement Company Limited (CCCL) is committed to meeting the needs of its customers by providing high-quality building solutions in an environmentally friendly manner, through a competent, inspired and motivated team, thereby achieving the financial objectives of its shareholders whilst adding value to the community.

COMPANY OVERVIEW

Caribbean Cement Company Limited is a publicly listed company which has been in operation since 1952. Its primary activities are the manufacture and sale of Carib Plus Vertua and High-Early (HE) Strength Cement. Its main plant and operations are situated in Rockfort, Kingston with additional quarry operations in both St. Andrew and St. Thomas. CCCL produces high-quality products using 100% indigenous raw materials, all mined within 10 miles of the plant. CCCL is a member of the TCL Group, of which Cemex S.A.B. de C.V is the majority shareholder. The Rockfort Mineral Bath Complex Limited is the only subsidiary of the Caribbean Cement Company Limited.

ABOUT CEMEX

Cemex is a global building materials company which delivers high-quality products and reliable services to customers and communities around the world. Cemex has a rich history of improving the well-being of those it serves through innovative building solutions, efficiency advancements, and its efforts to promote a sustainable future.

Strategic Framework

Vision

Building a Brighter Future

Mission

To create sustainable value by providing industry-leading construction products and solutions to satisfy the needs of our customers in the Caribbean.

Strategic Priorities

- Health & Safety
- Customer Centricity
- Innovation
- Sustainability
- EBITDA Growth

Business Model

We leverage our Group's expertise and footprint to establish best practices and common processes, in order to operate with agility and effectiveness to ultimately create value for all of our stakeholders.

Values

- Ensuring Health & Safety
- Focusing on Customers
- Acting with Integrity
- Working as One Cemex
- Fostering Innovation
- Embracing Diversity

Corporate Information

Caribbean Cement Company Limited was incorporated in Jamaica in 1947 and commenced production in 1952. Its primary activities are the manufacture and sale of Carib Plus Vertua and High-Early Strength Cement. CCCL has one subsidiary, Rockfort Mineral Bath Complex Limited, a national heritage site and mineral spa.

Registered Office

Rockfort, Kingston 2,
Jamaica, W.I.
Tel: (876) 928 6232-5
Fax: (876) 928-7381
Website: www.caribcement.com

Board of Directors

Mr. Parris A. Lyew-Ayee, CD
Chairman and Non-Executive Director

Mr. Francisco Aguilera Mendoza
Managing Director, TCL Group

Mr. Jorge Alejandro Martínez Mora
Managing Director, CCCL

Mr. Alfredo Garza Ramos
Director

Mr. Hollis N. Hosein
Non-Executive Director

The Hon Peter Moses, OJ
Non-Executive Director

Mrs. Alejandra Hernandez Blanco
Director

Company Secretary

Mr. Craig Lloyd Neil

Executive Team

Mr. Jorge Alejandro Martínez Mora
Managing Director

Mr. Miguel Roberto Estrada Sanchez
Cement Operations & Technical Director
TCL & Jamaica

Mr. Jorge Enrique Camelo
Human Resources Director, TCLG

Mr. Rogelio Barahona
Commercial Director

Executive Team - Cont'd

Mr. Rohan Anderson
Process Manager

Mr. Christopher Brown
Production Manager

Mr. Christopher Bryan
Projects Manager

Mr. Craig Lloyd Neil
Legal Counsel/Company Secretary

Mr. Angel Rivera
Supply Chain Manager

Mr. Anthony Jones
Head of Finance

Mr. Juan José Nurinda Vásquez
Strategic Planning Manager

Mr. Pablo Bahamon Palencia
Maintenance Manager

Mr. Eduardo Guillen Torres
Quality, Quarry and Environment Manager

Mr. Randy Nunez Fuentes
Procurement Manager

Mr. Garen Williams
Distribution Sales Manager

Mr. Andre Nelson
Industrial and Building Solutions Manager

Mr. Norville Clarke
Group Enterprise Risk Manager

Mr. Andre Haynes
Industrial Health & Safety Leader

Mrs. Shannen Suckra Baker
Sustainability Leader, TCLG

SUBSIDIARY COMPANY

Rockfort Mineral Bath Complex Limited
Rockfort,
Kingston 2.

ATTORNEYS-AT-LAW

Charles Piper & Associates

13a North Avenue,
Kingston 5.

DunnCox

48 Duke Street,
Kingston.

Myers Fletcher & Gordon

21 East Street,
Kingston.

Patterson Mair Hamilton

Temple Court
85 Hope Road,
Kingston 6.

REGISTRAR & TRANSFER AGENT

Sagicor Bank Jamaica Limited
28-48 Barbados Avenue,
Kingston 5.

STOCK EXCHANGE ON WHICH THE COMPANY IS LISTED

Jamaica Stock Exchange
40 Harbour Street,
Kingston.

AUDITORS

KPMG
The Victoria Mutual Building
6 Duke Street,
Kingston.

BANKERS

Citibank, N.A.
National Commercial Bank Jamaica Limited
Bank of Nova Scotia, Jamaica Limited
Jamaica National Bank

Ten-Year Financial Summary

(In \$'000 except for items with *)

	2024	2023	2022	2021
	Profit & Loss Summary			
Revenue	27,908,880	27,719,929	25,837,228	23,840,001
Earnings Before Taxation	7,771,850	7,259,730	7,242,867	5,711,427
Taxation Charge	(1,819,750)	(1,683,300)	(1,859,000)	(1,369,795)
Net income	5,952,100	5,576,430	5,383,867	4,341,632
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	9,381,725	8,933,822	9,310,469	8,402,058
	Balance Sheet Summary			
Total Assets	40,863,916	33,197,031	30,135,760	27,508,449
Total Liabilities	12,548,705	9,143,789	10,097,122	11,729,262
Shareholders' Equity	28,315,211	24,053,242	20,038,638	15,779,187
	Financial Ratios			
*Net Profit Margin	21%	20%	21%	18%
*Basic and Diluted Earnings Per Share	6.99	6.55	6.33	5.10
*Shareholders' Equity Per Share	33.27	28.26	23.54	18.54
*Shareholders' Return on Equity	21%	23%	27%	28%
*P/E Ratio	12.09	8.80	9.56	13.70
*Dividend Per Share (\$ per share)	1.9655	1.8976	1.5032	-
*Total Debt/Equity Ratio	0.005	0.01	0.04	0.10
	Other Data			
*Number of Shares Issued ('000)	851,138	851,138	851,138	851,138
*Closing Share Price	84.51	57.66	60.48	69.86
Market Capitalisation	71,929,672	49,076,617	51,476,826	59,460,501
Dividends Paid	1,672,912	1,615,160	1,279,431	-
Depreciation Charged	1,734,159	1,509,191	1,446,126	1,515,255
Capital Expenditure	5,789,266	1,853,708	1,258,274	1,686,304
Working Capital Surplus (deficit)	4,805,300	4,334,323	995,784	(4,273,449)
Total debt	133,448	179,391	744,038	1,651,387
Long-term debt	-	-	608,208	-
Total third party debt	133,448	179,391	135,830	204,805
Parent company debt	-	-	-	1,446,582
	Operational Data			
*Production (tonnes)				
Cement	870,649	962,550	957,204	979,297

2020	2019	2018	2017	2016	2015
Profit & Loss Summary					
20,108,049	17,764,664	17,573,931	16,513,084	15,780,756	15,431,897
4,424,900	2,737,414	3,294,661	1,510,411	1,350,862	1,726,388
(1,228,207)	(853,736)	(828,568)	(398,677)	(49,160)	(180,248)
3,196,693	1,883,678	2,466,093	1,111,734	1,301,702	1,546,140
7,822,827	5,851,647	5,318,949	2,979,450	2,702,838	2,576,658
Balance Sheet Summary					
26,321,009	27,100,548	26,792,437	11,542,061	10,419,488	10,851,391
14,789,087	18,790,024	20,374,256	3,202,031	2,680,612	4,414,217
11,531,922	8,310,524	6,418,181	8,340,030	7,738,876	6,437,174
Financial Ratios					
16%	11%	14%	7%	8%	10%
3.76	2.21	2.90	1.31	1.53	1.82
13.55	9.76	7.54	9.80	9.09	7.56
28%	23%	38%	13%	17%	24%
16.72	37.69	14.62	24.78	22.75	10.48
-	-	-	-	-	-
0.58	1.48	2.36	0.07	0.01	0.27
Other Data					
851,138	851,138	851,138	851,138	851,138	851,138
62.81	83.41	42.40	32.46	34.80	19.03
53,457,428	70,993,104	36,088,251	27,627,939	29,619,602	16,197,156
-	-	-	-	-	-
1,536,260	1,603,850	1,153,830	531,602	495,688	396,931
778,029	1,334,340	16,663,006	2,234,050	1,699,091	810,904
(3,252,390)	(1,483,548)	(1,470,873)	789,965	1,053,992	1,286,956
6,673,180	12,325,429	15,158,567	547,931	104,041	1,715,593
4,442,650	9,155,656	11,387,028	-	-	-
183,452	146,843	-	-	-	-
2,047,078	3,022,930	3,771,539	547,931	104,041	1,715,593
Operational Data					
940,005	758,829	787,411	845,932	911,325	807,817

Social Impact

CCCL invested over J\$7.7 million through an Emergency Disaster Relief Fund to assist communities affected by hurricane Beryl. More than 100 families in Harbour View, Trench Town, Woodside and 11 Miles benefitted.



Caribbean Cement Company Limited (CCCL) invested J\$3.5 million in book vouchers for back-to-school support to students in Rockfort, Harbour View, Bull Bay, Woodside, and surrounding areas. Additionally, CCCL donated J\$160,000 in vouchers to Project STAR and J\$1 million to the MultiCare Youth Foundation.

The TCL Group kicked off the 4th edition of the Cemex Campus across Trinidad & Tobago, Barbados, Guyana and Jamaica, providing valuable industry insight to university students across the region and offering internships to suitable participants.



Social Impact (continued)



CCCL in partnership with the CTCOC's Intellectual Property Unit, safely destroyed 624 cases of counterfeit cigarettes valued at J\$400 million. Supervised by CTCOC, cigarettes were used as refuse-derived fuel in CCCL's kiln, supporting both public safety and sustainability. The initiative aligns with CCCL's "Future in Action" programme to reduce CO₂ emissions by exploring alternative fuels.

CCCL supported the government's construction of concrete pavements as an alternative for constructing community roads.



CCCL participated in The Great Mangrove cleanup for the preservation and protection of mangroves in and around the Palisadoes Port Royal Protected Area.



Social Impact (continued)

Carib Cement planted more than 400 trees bringing the total to over 900 in its now-defunct gypsum quarry as part of its "Future in Action" reforestation programme.



CCCL donated medical equipment, specifically blood pressure machines and thermometers, to the Harbour View Health Centre.

CCCL donated paint, brushes, and essential materials to support school improvement efforts at the St. Boniface Early Childhood Centre in Harbour View as part of its Labour Day project.





ADAM

“It’s not just about selling more – it’s about serving better. If we take care of our customers and our community, the growth takes care of itself.”

Adam G. Hugh
Managing Director
Island Concrete Company Limited



PARRIS A. LYEW-AYEE, CD
Chairman

Chairman's Statement

STAYING COMMITTED TO JAMAICA'S GROWTH AND SUSTAINABILITY

DEAR SHAREHOLDERS:

On behalf of the Board, I am pleased to present the Caribbean Cement Company Limited's (CCCL) Annual Report for the year ended December 31, 2024, offering a consolidated look at the past year.

Our vision for sustainable growth is centered on a multi-faceted approach that prioritises economic development, environmental stewardship, and social responsibility. By embedding these principles into our operations, we remain committed to delivering sustainable value that makes a positive impact locally and across the region.

As is customary, I begin these remarks by reaffirming CCCL's commitment to the health and safety of our employees, contractors, and visitors. This remains a top priority for us, and we take it very seriously. Throughout 2024 we have remained committed to fostering a safe and secure working environment, and we are proud to report that this dedication has resulted in no lost-time incidents during the year. This success is due to the tireless efforts of our workforce, the effectiveness of our ongoing training programmes, and our rigorous monitoring and safety protocols.

Our Zero4Life programme, which underscores our collective commitment to ensuring that everyone returns home safely to their loved ones at the end of each day, continues to be a guiding principle in all our health and safety initiatives. By continually engaging our team in essential safety modules

Chairman's Statement (continued)

such as re-induction training, first aid recertification, fire warden courses, and emergency drills, we are fortifying CCCL's safety culture. These activities play a vital role in transforming and maintaining our safety-centric work environment, ensuring that all safety practices are not only in place but are ingrained in every aspect of our operations.

During the year, CCCL was honoured with recognition from Cemex, our ultimate parent company, at their Global Health and Safety Awards, where we were named one of the most improved cement plants. This prestigious accolade highlights our relentless pursuit of safety excellence and serves as a testament to our continued efforts in safeguarding the well-being of every member of our team.

This commitment to health and safety extends beyond the confines of our plant and into the communities in which we operate. In 2024 we continued to prioritise road safety through our Vulnerable Road User (VRU) programme, aimed at educating the public on safe practices around large vehicles. This initiative included interactive sessions at schools, such as Windward Road Primary School and Harbour View Primary School, as well as a collaboration with the Road Safety Unit of the Ministry of Science, Energy, Telecommunications and Transport. Additionally, we hosted our inaugural Health and Safety Summit for contracted haulers, focusing on improving road safety and preventing vehicular accidents.

The company also made significant strides in the enhancement of our plant's infrastructure, implementing overhead protection along walkways to reduce the risks associated with pedestrian traffic and falling debris.

Financial Performance

In 2024 CCCL delivered a robust financial performance, demonstrating significant resilience and adaptability despite external shocks including the impact of hurricane Beryl and other adverse weather conditions. For the full year, CCCL recorded revenue of \$27.9 billion, marking a 0.7 per cent increase over the previous year. Throughout the year, CCCL continued to prioritise its strategic investments, committing \$5.8 billion to capital projects, including investments in our kiln expansion project, which is on track for completion this year. This growth in financial performance is undergirded by our commitment to deliver value to our investors, maintaining a strong financial foundation, while meeting the needs of our valued customers.

Operations

During 2024, the company continued to execute its maintenance and upgrade plans to transform the business into a world-class operation, reflecting the international standards at global operations led by Cemex.

In this regard, and keeping a laser-targeted focus, the company continued the buildout of its new administration building, which remains crucial to bolstering our organisation's infrastructure and efficiency.

Chairman's Statement (continued)

Sustainability

CCCL remains steadfast in its dedication to sustainability, driving progress through innovative solutions, partnerships, and a continued focus on enhancing our environmental impact, ensuring a sustainable future for both our operations and the communities we serve.

In 2024 CCCL continued to demonstrate its commitment to environmental sustainability, achieving significant milestones under our 'Future in Action' programme. We participated in the third annual World Wildlife Day broadcast on Edge 105 FM, where we continued to showcase our ongoing sustainability initiatives and our ambition to become a net-zero company. We continued activities under our expansion project, designed to reduce carbon emissions and increase cement production by up to 30 per cent. This initiative is pivotal to Cemex's broader sustainability goals, focusing on optimising heat consumption in cement production to minimise our carbon footprint in Jamaica.

Additionally, our commitment to sustainability was recognised with a nomination in the Environmental, Social and Governance (ESG) category at the Jamaica Chamber of Commerce's 39th Annual Awards. We further demonstrated this commitment through our participation in the 'Great Mangrove Cleanup', in partnership with the GraceKennedy Foundation, Clean Harbour Jamaica, and Ocean Cleanup. This effort, which resulted in the removal of 197.5 kgs of waste, which was incinerated in our kiln, aligns with our sustainability goals, particularly in combating climate change.

In line with Cemex's Regenera business line, which is dedicated to the principles of circularity and by extension sustainable waste management, we incinerated 624 cases of counterfeit cigarettes in our kiln, turning waste into energy for our cement production.

Our 'Future in Action' programme also saw successful partnerships with RUBIS Energy Jamaica, the Rotary Club, and the Jamaica Union of Tertiary Students for the International Coastal Cleanup Day, where 3,088 kgs of waste were removed from the Palisadoes Beach strip and some converted into alternative fuel.

As part of our reforestation efforts, we partnered with the Forestry Department, the Private Sector Organisation of Jamaica and the National Council for Senior Citizens to plant 450 trees, further enhancing local biodiversity and bringing the total number of trees planted in the former gypsum quarry to more than 900.

In addition, our collaboration with the National Environment and Planning Agency (NEPA) on the 'Adopt-a-Mangrove' project is progressing, with plans for restoring mangroves at Gallows Point. This innovative approach, which uses floating concrete structures to support mangrove growth, reflects our leadership in environmental responsibility and green economy initiatives.

Chairman's Statement (continued)

Customer Centricity

Our valued customers remain at the heart of our operations, and we are committed to placing them at the forefront of everything we do. This dedication was highlighted through a series of customer appreciation events held in Kingston, St. James, and Manchester, where we acknowledged and celebrated their continued support and contributions.

As a company dedicated to the effective use of technology, we have embraced a range of tools to enhance and streamline our customer engagement. These technologies ensure responsiveness, reliability, and value at every touchpoint.

Our Customer Relationship Management (CRM) software enables us to systematically log and manage all customer complaints. Each issue is tracked through various stages until it is addressed and resolved, ensuring both accountability and timely action.

In addition, we use a Customer Interaction (CI) Tool to document site visits and collect customer census data. This invaluable information helps us better understand individual customer needs and tailor our services to meet those more effectively.

WhatsApp has become an essential communication channel for our customers, who often use it to place orders, provide feedback, request adjustments, and share statements. Its speed and convenience have made it a reliable platform for ongoing interaction.

For deliveries, our Electronic Proof of Delivery (E-POD) system sends automatic notifications via email to customers as soon as their deliveries are completed. This enhances transparency and offers real-time confirmation of service.

We also rely on data analytics tools to assess purchasing behaviours, identify seasonal trends, and incorporate customer feedback.

Despite some early challenges, CCCL remains committed to these customer-centric innovations and strategies, which aim to foster strong, lasting relationships while delivering solutions that address the evolving needs of the market.

Social Impact

At CCCL, we are deeply committed to creating a positive and lasting impact within the communities we serve. In response to the devastation caused by hurricane Beryl in early July, we acted swiftly to support those affected. Through coordinated relief efforts, we provided essential supplies, including cement, plywood, zinc sheeting, nails, and food items, to more than 100 families, helping them to recover more rapidly from the storm's effects.

Chairman's Statement (continued)

Our commitment to community development also remained a central focus throughout the year. Notably, we completed concrete road pavements in several areas, including Bay Farm Road in St. Andrew and parts of Eastern and Southern St. James, directly benefiting more than 300 residents by improving local infrastructure and accessibility.

In addition, we provided training to more than 30 individuals in concrete construction techniques and health and safety practices. This initiative not only enhances local capacity but also equips participants with valuable skills, improving their employability and contributing to long-term community resilience..

CCCL will continue to champion community development through meaningful initiatives and partnerships. We remain focused on empowering communities, and making a tangible difference in the lives of Jamaicans.

Outlook

As we look to the future, CCCL remains confident in its ability to navigate an increasingly dynamic and unpredictable environment. While exogenous shocks such as adverse weather events and shifting global economic conditions continue to pose challenges, we are well positioned to respond with agility, resilience, and a long-term perspective.

Our strategic focus for 2025 and beyond remains anchored in enhancing operational efficiency, deepening our customer relationships, and advancing our sustainability agenda. Central to this outlook is the ongoing kiln expansion project, which is progressing on schedule for completion in mid-2025. This significant investment is expected to increase cement production capacity, a move that will support Jamaica's growing infrastructure demands.

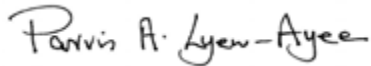
With this additional capacity, CCCL is poised to play an even greater role in satisfying local demand while also enhancing export potential. At the same time, the expansion will enable us to optimise energy efficiency and reduce our environmental footprint, further reinforcing our commitment to the principles of sustainability and circularity.

We remain focused on our aim to drive long-term value for our shareholders, supported by prudent capital management, disciplined execution, and continuous innovation. Through our customer-centric technologies, sustainability-focused initiatives, and strategic growth projects, CCCL is actively shaping a future where Jamaica and regional development can thrive in tandem with responsible business practices.

As we move forward, we will continue to strengthen our position as the leading cement provider in Jamaica and a benchmark for excellence in the region. With the strong foundation we have built and the clear roadmap ahead, we are confident that CCCL is well placed to deliver enduring success for all our stakeholders.

Chairman's Statement (continued)

On behalf of the Board of Directors, I express my thanks to the shareholders for the confidence placed in the company, I extend congratulations to the management team ably led by Managing Director, Mr. Jorge Martinez, and workers for the progress achieved in 2024 and encourage them in the goal of making CCCL stronger in Building a Greater Jamaica.



Parris A. Lyew-Ayee, CD
Chairman

Board of Directors



Left-right:

Mr. Parris A.

Lyew-Ayee, CD (Chairman and Non-Executive Director)

Mr. Francisco

Aguilera Mendoza (Managing Director, TCL Group)

Mr. Jorge Alejandro

Martinez Mora (Managing Director, CCCL)

Mr. Alfredo Garza

Ramos (Director)



Left-right:

Mr. Hollis N.
Hosein (Non-Executive Director)

The Hon. Peter
Moses, OJ (Non-Executive Director)

Mrs. Alejandra Hernandez
Blanco (Director)

About Our Board of Directors



Mr. Parris A. Lyew-Ayee, CD

Chairman and Non-Executive Director

Parris A. Lyew-Ayee was first a member of the Board of Directors of Caribbean Cement Company Limited from 1991 to 1999. He has been a member of the Board since rejoining in 2006 and was appointed Chairman in October, 2016. Mr. Lyew-Ayee holds a BSc honours degree in Special Geology from The University of the West Indies, and a Master of Engineering degree in Mineral Engineering Management from the Pennsylvania State University. He is a member and former President of the Geological Society of Jamaica; a member of the International Committee for Studies of Bauxites, Alumina and Aluminium (ICSOBA); and a member of the Society of Mining Engineers of the American Institute of Mining, Metallurgical and Petroleum Engineers.

A Geologist and Mineral Engineer, Mr. Lyew-Ayee worked at the Jamaica Bauxite Institute from its inception in 1976, and was its Executive Director for 23 years, before retiring in June 2018. For his long career, and service to the bauxite/alumina industry in Jamaica, the Government of Jamaica awarded him the Order of Distinction (Rank of Officer) in 1988, then the Order of Distinction (Rank of Commander) in 2007. The International Association for the Study of Bauxite, Alumina and Aluminium (ICSOBA) awarded him its prestigious Gold Medal in 1988 for his contribution to the international bauxite and alumina industry.



Mr. Francisco Aguilera Mendoza

Managing Director, TCL Group

Francisco Aguilera Mendoza has served the TCL Group as a member of the Board of Directors since 2014 and was appointed Managing Director of the TCL Group from December 1, 2020. Prior to his appointment as Managing Director, Mr. Aguilera was the Vice President of Strategic Planning of the Cemex South, Central America, and the Caribbean (SCA&C) region.

Mr. Aguilera Mendoza joined Cemex in June 1996 and has held positions in various areas throughout Cemex's US operations, including Logistics Manager, Sales Administration Director, Aggregates Operations VP, and VP and General Manager for the Concrete Pipe Division. He was VP of Trading for Europe, the Middle East, Africa, and Asia while based in Spain, and VP of Trading for the Americas and Global Shipping Operations while based in Mexico. He has extensive experience in the building materials industry, especially in general management, logistics operations, international commerce, and post-merger integrations.

Mr. Aguilera Mendoza holds a BSc in Mechanical and Industrial Engineering from the Monterrey Institute of Technology, Mexico, and an MBA with a major in Operations from the Kellogg Graduate School of Management of Northwestern University.

About Our Board of Directors (continued)

Mr. Jorge Alejandro Martínez Mora

Managing Director, CCCL

Jorge Martínez Mora was appointed Managing Director of Caribbean Cement Company Limited on December 1, 2023.

He is a Civil Engineer, who earned his undergraduate degree from ITESO University Guadalajara, Mexico, and holds an Executive Master's Degree in Business Administration (MBA) from Tecnológico de Monterrey.

Mr. Martínez has been working with Cemex México since December 2004. He joined the company as a sales representative and then took on responsibilities as a business unit manager in different locations for eight years. After that, he was appointed Ready Mix National Commercial Development Director, then promoted to National Operations and Maintenance Ready Mix Director.

He has also held the position of Regional Director for Mexico's Pacific Region in the Builders' segment, and as Builders' Segment Regional Director for the Central Region based in Mexico City (the biggest market for Cemex México).

Having worked with Cemex for almost 20 years, Mr. Martínez has experience working in the field (both commercial and operational) and in corporate positions. He has a strong background in both commercial and operational skills, rounded with general management for entire regional businesses.

Mrs. Alejandra Hernandez Blanco

Director

Alejandra Hernandez Blanco joined Cemex in 2002 and has held different roles in the internal control function, working with teams in all business units from different countries as well as with corporate areas and specialising in topics related to the operative risk assessment.

Throughout the years, she has participated in the development and observance of several company policies, as well as, in the definition and follow-up of the scope to comply with Sarbanes-Oxley Act.

In 2007, she participated in the Post Merger Integration to integrate acquired businesses into Cemex practices from the internal control perspective.

Mrs. Hernandez is an active member of the Ethics Committee for both the Cemex Corporate office and Sinergia business.

Currently, she is leading in the development of the control model for ESG matters and related regulations. Prior to joining Cemex, Mrs. Hernandez served in other public companies and audit firms holding positions related to internal



About Our Board of Directors (continued)

control and audit functions.

Mrs. Hernandez holds a bachelor's degree in Accounting and Finance from the Instituto Tecnológico y de Estudios Superiores de Monterrey and an MBA from the EGADE Business School. She is a graduate of the Management Development Programme from the IPADE Business School.



Mr. Hollis N. Hosein

Non-Executive Director

Hollis N. Hosein is a former Group Finance Manager of the TCL Group and has extensive and diverse experience in the areas of Financial Management, General Management, and Auditing.

Mr. Hosein is a Fellow of the Association of Certified Chartered Accountants (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (ICATT).

He is Chairman of the Board Audit and Finance Committee and a member of the Human Resource Board sub-committee of Caribbean Cement Company Limited. He is a former Chairman of the Board of Directors for TCL Guyana Inc. He has a long history of lending voluntary assistance to several charitable projects in Trinidad & Tobago.



Mr. Alfredo-Garza

Director

Alfredo Garza is a seasoned financial executive with extensive experience spanning finance, energy risk management, investor relations, and corporate strategy. Currently serving as the Energy Risk Manager at Cemex (since 2023), Alfredo plays a pivotal role in overseeing and implementing innovative risk management strategies that strengthen the company's resilience to market volatility. His expertise lies in making high-impact financial decisions, developing comprehensive financial strategies, and building strong, effective teams that drive the company's financial growth.

Previously, Alfredo has held key leadership positions within Cemex, including Investor Relations Manager (2012–2022) and CFO Chief of Staff (2021), where he demonstrated an exceptional ability to align financial strategies with sustainable practices, ensuring long-term value creation for stakeholders.

His work has been integral in guiding Cemex through complex financial landscapes while maintaining a focus on both growth and sustainability.

Alfredo's career journey also includes roles such as Controllership Financial Information Advisor (2007–2012), PMI RMC (2006–2007) across Germany, the UK, and France, and Controllership Financial Consolidation Analyst (2005).

About Our Board of Directors (continued)

His diverse experience in both operational and strategic roles has equipped him with a unique perspective on financial management, risk mitigation, and corporate governance.

In addition to his professional experience, Alfredo is deeply committed to advancing sustainable business practices. He is a credential holder from the Sustainability Accounting Standards Board (SASB).

Alfredo holds a master's degree in Finance from EGADE Business School, Mexico (2008), and a bachelor's in Accounting and Finance from Tec de Monterrey, Mexico (2004).

He also earned a Certificate in Finance from the University of Queensland, Australia (2003). A strong believer in continuous development, Alfredo has participated in the Thrive Leadership Development Program at Cemex (2021) to further hone his leadership and strategic skills.

With a proven track record in driving financial innovation, managing complex risk scenarios, and ensuring sustainable value creation, Alfredo is a forward-thinking leader dedicated to helping organisations navigate and thrive in an ever-evolving business environment.

The Hon Peter Moses, OJ

Non-Executive Director

Peter Moses is a noted banking executive who retired in March 2017 from the post of CEO of Citibank after a 42-year career.

He has served on several Boards in the public and private sectors as well as through voluntary service. These include roles such as: President of the Jamaica Bankers' Association, President of the Private Sector Organisation of Jamaica (PSOJ), President of the American Chamber of Commerce (AMCHAM), Director of the Jamaica Exporters' Association (JEA), Director of the Jamaica Drug Abuse Committee, Member of the Review Board for the Jamaica Constabulary Force (JCF), Member of the Review Committee for Petrojam and Chairman of the Public Sector Reform Oversight Committee.

He is currently the Chairman of First Global Bank and a Past Director of Grace Kennedy Limited. He serves on the Executive of Calabar High School and is the President of the Real Mona Football Club.

His contributions to nation building have been recognised by the Government of Jamaica which has conferred upon him the Commander of the Order of Distinction (CD) and Order of Jamaica (OJ).



Directors' Report

The Directors submit this report and the audited Financial Statements for the year ended December 31, 2024.

FINANCIAL RESULTS

Results for the year are shown on pages 61 to 106 in the Financial Statements. These results reflect the operations and financial position of the company and its subsidiary, Rockfort Mineral Bath Complex Limited.

HIGHLIGHTS OF THE YEAR (\$ Thousands)		
	2024	2023
Revenue	27,908,880	27,719,929
Net Income	5,952,100	5,576,430
Total Net Assets	28,315,211	24,053,242
Earnings per share	\$6.99	\$6.55

TEN LARGEST SHAREHOLDERS AS AT DECEMBER 31, 2024		
NAME OF COMPANY	NUMBER OF SHARES	%
TCL (NEVIS) LIMITED	558,688,942	65.64
TRINIDAD CEMENT LIMITED	71,876,497	8.44
CEMEX OPERACIONES MÉXICO, S.A. de C.V.	42,187,482	4.96
SAGICOR POOLED EQUITY FUND	10,489,012	1.23
JCS D TRUSTEE SERVICES LIMITED - SIGMA EQUITY	9,463,665	1.11
SAGICOR SELECT FUND LIMITED - ('CLASS C' SHARES) MANUFACTURING & DISTRIBUTION	6,827,319	0.80
GUARDIAN LIFE LIMITED	6,274,357	0.74
PAM - POOLED EQUITY FUND	5,724,804	0.67
SJIML A/C 3119	4,545,380	0.53
JCS D TRUSTEE SERVICES LIMITED A/C BARITA UNIT TRUST CAPITAL GROWTH FUND	3,544,768	0.42
TOTAL	719,622,226	84.54

SHAREHOLDINGS OF DIRECTORS & CONNECTED PARTIES AS AT DECEMBER 31, 2024	
Parris A. Lyew-Ayee	10,000
TOTAL	10,000

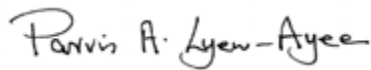
Directors' Report (continued)

SHAREHOLDINGS OF SENIOR MANAGERS & CONNECTED PARTIES AS AT DECEMBER 31, 2024	
Garen Williams	25,000
Jorge Enrique Camelo	125
TOTAL	25,125

With the exception of the director listed, no Director or any person/company connected to him has a shareholding interest in the company.

The directors wish to express thanks to the management and staff for their continued commitment and hard work in 2024.

On behalf of the Board of Directors,



Parris A. Lyew-Ayee, CD
Chairman

Corporate Governance

Corporate Governance Policy

1. RESPONSIBILITIES AND DUTIES OF THE BOARD OF DIRECTORS

- i. DIRECTORS' RESPONSIBILITIES
- ii. DUTIES OF DIRECTORS

2. GUIDELINES FOR THE APPOINTMENT OF DIRECTORS

- i. RESPONSIBILITY FOR APPOINTMENT
- ii. COMPOSITION OF THE BOARD
- iii. SELECTION CRITERIA

3. DIRECTORS' COMPENSATION

4. MANAGEMENT SUCCESSION

5. DIRECTORS' ACCESS TO MANAGEMENT AND INDEPENDENT ADVICE

6. DIRECTORS' ORIENTATION & CONTINUING EDUCATION

7. ACCOUNTABILITY AND AUDIT

8. BOARD COMMITTEES

- i. FINANCE & AUDIT
- ii. GOVERNANCE
- iii. HUMAN RESOURCES

9. BALANCE OF RESPONSIBILITY

10. MANAGING SHAREHOLDER RELATIONSHIPS

11. PRINCIPLE ON DISCLOSURE OF THIS POLICY

12. PRINCIPLE ON CONTINUOUS REVIEW OF THIS POLICY

POLICY STATEMENT

Caribbean Cement Company Limited ("CCCL" or "the Company") is committed to adhering to the principles and practices of good corporate governance. CCCL recognises that a robust corporate governance system redounds to the overall benefit of the organisation by fostering better performance, lowering risk of scandal as well as a lower cost of capital. Based on the guiding principles of fairness, transparency and accountability, the company strives to maintain a high standard of corporate governance through the establishment of a comprehensive and efficient framework of policies, procedures and systems and the promotion of a responsible corporate culture.

This policy was compiled with reference to the United Kingdom Combined Code on Corporate Governance issued in 2010, the Private Sector Organisation Code on Corporate Governance and the

Corporate Governance (continued)

Corporate Governance Guidelines set out in the Jamaica Stock Exchange Rules and were adopted by the Board of Directors of CCCL.

1. RESPONSIBILITIES AND DUTIES OF THE BOARD OF DIRECTORS

i. DIRECTORS' RESPONSIBILITIES:

The Board of Directors is responsible under law for the direction and control of the Company's business. It has the statutory authority and obligation to protect and enhance the assets of the Company which will enure to the best interest of all shareholders.

Although directors may be elected by the shareholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent any particular constituency. The best interests of the Company must be paramount at all times. In determining what constitutes the best interests of the Company, directors shall have regard to the interests of the employees in general, the shareholders and the community in which the company operates.

The involvement and commitment of directors is evidenced by regular Board and Committee attendance, active participation in setting the Company's strategic objectives, and a focus on performance in the interest of all stakeholders. In addition, the Board should take into account the legitimate interests and expectations of all stakeholders and foster an active cooperation between the Company and stakeholders, with a view to creating wealth, employment and the sustainability of a financially sound organisation.

ii. DIRECTORS' DUTIES:

The Board operates by delegating certain of its authorities to Management and reserving certain powers to itself. Its principal duties fall into six categories:

a. Selection of Management

The Board has the responsibility for:

- Managing its own affairs, including planning its composition, selecting its Chairperson, nominating candidates for election to the Board, and appointing committees;
- Appointment and removal of a General Manager (GM), for monitoring the GM's performance, and providing advice and counsel in the execution of the GM's duties;
- Approving the appointment and remuneration of all corporate officers, acting upon the advice of the GM.

b. Monitoring and Taking Action

The Board has the responsibility for:

- Monitoring CCCL's progress towards its goals, and to revise and alter its direction in light of changing circumstances;
- Taking action when performance falls short of its goals or other special circumstances warrant (for example, mergers and acquisitions or changes in control).

c. Strategy Determination

The Board has the responsibility to:

- Participate through its committees, in developing and approving the mission of the

Corporate Governance (continued)

business, its objectives and goals, and the strategy by which it proposes to reach these goals;

- Ensure congruence between shareholder expectations, CCCL plans and management performance.

d. Approval and Monitoring of Policies and Procedures

The Board has the responsibility to:

- Approve and monitor compliance with all significant policies and procedures;
- Ensure that CCCL operates at all times within applicable laws and regulations, and to display the highest ethical standards as well as responsible decision-making.

e. Reporting to Shareholders

The Board has the responsibility for:

- Ensuring that the financial performance of CCCL is reported to shareholders on a timely and regular basis;
- Ensuring that the financial results are reported fairly and in accordance with generally accepted accounting standards;
- Timely reporting of any other developments that have a significant and material impact on the value of the shareholders' assets;
- Reporting annually to shareholders on its stewardship for the preceding year;
- Recommending any payment of dividends to shareholders, to be declared by Ordinary Resolution.

f. Legal Compliance

The Board is responsible for ensuring that there is compliance with statutory and regulatory requirements and that documents and records have been properly prepared, approved and maintained.

g. Annual Performance Evaluation

A self-evaluation (or any other appropriate performance evaluation) will be conducted at least annually to determine whether the Board and its committees are functioning effectively.

2. GUIDELINES FOR THE APPOINTMENT OF DIRECTORS

Directors should be selected and appointed through a rigorous and formal process designed to give the Board a balance of independence and diversity of skills, knowledge, experience, perspectives and gender among Directors, so that the Board works effectively.

i. RESPONSIBILITY FOR APPOINTMENT:

The Governance Committee is responsible for leading the process for Board appointments and making recommendations to the Board. The Governance Committee should evaluate the balance of skills, experience, independence and knowledge on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for each appointment.

ii. COMPOSITION OF THE BOARD:

Factors to be considered in determining composition of the Board:

Corporate Governance (continued)

- a. The Board should be of sufficient size that the requirements of CCCL's business can be met and that changes to the Board's composition and that of its committees can be managed without undue disruption, and should not be so large as to be unwieldy. The minimum and maximum number of Directors shall be as prescribed in CCCL's Articles of Incorporation.
- b. The Board should include an appropriate combination of executive and non-executive directors (and, in particular, independent non-executive directors) such that no individual or small group of individuals can dominate the board's decision making. An Executive Director is one who is employed by CCCL and is normally responsible for aspects of CCCL's day to day operations. An Independent Non-executive Director is a director who is free of any interest, position, association or relationship that might influence or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of CCCL and its shareholders generally. Independence is the absence of undue influence and bias which can be affected by the intensity of the relationship between the director and CCCL.
- c. The Chairman of the Board should be an Independent Non-Executive Director.
- d. The Board and its Committees should have the appropriate balance of skills, experience, independence and knowledge of the Company to enable them to discharge their respective duties and responsibilities effectively.

iii. SELECTION CRITERIA:

- Strong business acumen, ethics, integrity, good character;
- Competence and ability to understand the technical requirements of the business;
- Proven track record which demonstrates the capacity to undertake the responsibilities of a Director;
- Financial independence;
- Ability or disposition to work with other persons as members of a team;
- No obvious conflicts of interest;
- Suitable skills to ensure appropriate configuration of relevant skill sets among Board members;
- National, regional or international executive or Board experience
- Demonstrated willingness and ability to comply with relevant legal, professional and regulatory requirements and standards.

3. DIRECTORS' COMPENSATION

The remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the shareholders of CCCL in accordance with CCCL's Articles of Incorporation. Levels of remuneration should be sufficient to attract, retain and motivate directors of the quality required to run the Company successfully. The Board should be guided by the following principles in making a recommendation to the Shareholders of the Company on the remuneration of Directors:

- Remuneration based on time required, expertise and experience;
- Compensation for legal exposure;
- Comparability with similar companies;
- Official overseas travel for Board duties

Corporate Governance (continued)

4. MANAGEMENT SUCCESSION

i. Objectives of the Succession Plan:

- a. To assist in the development of CCCL's Strategic plans;
- b. To match available talent with future requirements given CCCL's goals;
- c. To ensure that there are viable replacements for important positions in cases of promotions, transfers, resignations, retirements and other forms of exit;
- d. To have an organized system for planning the development of executives and professionals;
- e. To provide increased opportunities to high potential professionals in the Company; and
- f. To increase the pool of promotable professionals.

ii. Standards for Succession Planning:

- a. CCCL should have well qualified internal candidates for each key position;
- b. Critical turn over should not be excessive

(Critical turnover is defined as a key executive who resigned or retired prematurely.)

5. DIRECTORS' ACCESS TO MANAGEMENT AND INDEPENDENT ADVICE

In discharging its duties the Board should have unrestricted access to members of management and any information it considers relevant. The Chairman is responsible for ensuring that the Directors receive accurate, timely and clear information. Management has an obligation to provide such information but Directors should seek clarification or amplification where necessary.

All Directors should have access to the advice and services of the Company Secretary who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. Under the direction of the Chairman the Company Secretary's responsibilities include facilitating induction and professional development, ensuring good information flows within the Board, its committees and between non-executive directors and senior management.

Both the appointment and the removal of the Company Secretary should be a matter for the Board as a whole.

The Board should ensure that Directors, especially non-executive Directors, have access to independent professional advice at CCCL's expense where such advice is necessary to discharge their responsibilities as directors. Committees should be provided with sufficient resources to undertake their duties.

6. DIRECTORS' ORIENTATION AND CONTINUING EDUCATION

All directors should receive induction on joining the board and should regularly update and refresh their skills and knowledge.

The Chairman should ensure that the directors continually update their skills and the knowledge and familiarity with the Company required to fulfil their role both on the Board and on Board committees.

CCCL should provide the necessary resources for developing and updating its directors' knowledge

Corporate Governance (continued)

and capabilities. To function effectively, all directors need appropriate knowledge of the Company and access to its operations and staff.

The Chairman should ensure that new directors receive a full, formal and tailored induction on joining the Board. As part of this, directors should avail themselves of opportunities to meet major shareholders.

The Chairman should regularly review and agree with each director their training and development needs.

7. ACCOUNTABILITY AND AUDIT

The Board should present an accurate, timely, balanced and understandable assessment of CCCL's performance, position and prospects. To this end, there shall be three (3) main sub-committees of the Board: Finance and Audit Committee, Governance Committee and Human Resource Committee.

8. BOARD COMMITTEES:

i. Finance & Audit –

- The Finance & Audit Committee has oversight responsibilities for the qualitative aspect of financial reporting to the shareholders and reviewing the financial process, the system of internal controls, the audit process, and the company's process for monitoring compliance with laws and regulations and the code of conduct.
- The Finance & Audit Committee should comprise of at least three (3) independent non-executive directors. The Chairman may be a member in addition to the independent non-executive directors but not chair the committee.
- Each Committee member should collectively possess sufficient knowledge of the audit function, financial expertise, specific industry knowledge, law, risk and control, permitting them to be equipped to provide valuable contributions to the Committee.

The responsibilities of the Finance & Audit Committee include, but are not limited to the following:

- a. Recommending the appointment of external auditors;
- b. Assessing the suitability and independence of external auditors;
- c. Following-up on recommendations made by internal and external auditors;
- d. Overseeing all aspects of the company-audit firm relationship;
- e. Monitoring the performance of the internal audit function ensuring its objectivity and independence in the completion of its duties and responsibilities.
- f. Monitoring the integrity of the financial statements of the company, and any formal announcements relating to the company's financial performance, reviewing significant financial reporting judgments contained in them.
- g. Overseeing the establishment, implementation and assessment of the Risk Management Function;
- h. Assessing compliance with applicable laws and regulations;
- i. Ensuring that an effective system of internal controls is established and maintained.

Corporate Governance (continued)

- ii. Governance** - to review the effectiveness of the Company's governance structure and practices and report its findings and recommendations to the Board.

The responsibilities of the Governance Committee include, but are not limited to the following:

- a. providing guidance and assistance to the Board in relation to the identification of potential new directors;
- b. developing and recommending guidelines regarding directors' qualification standards, non-executive directors' compensation, director orientation and continuing education;
- c. coordinating the on-boarding and training for new directors and promoting the acquisition and recycling of expertise in areas related with the Corporate Governance of the Company;
- d. developing and administering, on behalf of the Board, the annual self-evaluation process of the Board and its committees;;
- e. periodically reviewing the Company's internal regulations, with special emphasis on corporate governance and compliance policies, and proposing such amendments and updates to the Board of Directors, for approval or submission to the shareholders at their General Meeting, as may be necessary for their ongoing development and improvement;
- f. promoting the Company's corporate governance strategy;
- g. supervising compliance with statutory requirements and with the rules and standards enshrined in the Company's internal regulations;;
- h. ensuring diligent compliance with the rules contained in the Company's internal regulations, and to propose to the Board of Directors the amendments deemed necessary in order to align corporate governance standards with existing best practices;
- i. supervising compliance with internal codes of conduct and with the Company's corporate governance rules;
- j. periodically assessing the alignment of the Company's corporate governance system in order to ensure that it fulfils its mission of furthering the corporate interest and takes the legitimate interests of other stakeholders into account where appropriate;
- k. reviewing the Company's corporate responsibility policy, ensuring that it is oriented to the creation of value;
- l. monitoring the corporate social responsibility strategy and practices to assess the level of compliance; and
- m. reviewing and reporting on all related-party transactions entered into by the Company with significant shareholders, directors, executives or other persons related to them, approval of which is reserved for the Board of Directors or the Executive Committee, when appropriate. The Corporate Governance Committees shall verify that such transactions are carried out on an arms' length basis and that do not infringe equal treatment of shareholders.

- iii. Human Resources** - to develop and/or review policies and goals relevant to executive compensation and development and to make appropriate recommendations to the Board.

The responsibilities of the Human Resource Committee include, but are not limited to the following:

- a. formulating policies for the Company's Human Resource Management function and making recommendations to the Board for approval and adoption;
- b. reviewing, approving and ensuring compliance with existing administrative policies and recommending to the Board the adoption of proposals for all senior managers and executives;

Corporate Governance (continued)

- c. censuring that the Company's Human Resource Department provide efficient services utilizing equitable, transparent and contemporary performance management measures and systems;
- d. acting autonomously and approving on its own account specific human capital initiatives and recommendations that fall within the overall ambit of pre-existing Board approved policies and systems.

9. BALANCE OF RESPONSIBILITY

CCCL should seek to maintain an appropriate balance of responsibility between the Board and the executive management of the Company. While the managers are charged with the responsibilities of administering the day-to-day business and operation of the Company, the Board is responsible for overall leadership and direction. To help to achieve this, CCCL also maintains a prescribed list of matters reserved for Board decision to ensure a clear delineation of Board and executive management functions.

10. MANAGING SHAREHOLDER RELATIONSHIPS

CCCL strives to treat all its shareholders openly and fairly and is committed to promoting effective communication with shareholders. It has put great effort in maintaining an open and constructive dialogue with shareholders. The Board actively communicates with the Company's shareholders at annual general meetings and other general meetings and encourages participation by shareholders to facilitate their understanding of the Company's operations. Separate resolutions are proposed at shareholders' meetings on each substantive and separate issue, including the election of individual Directors. The Chairman of the Board and Board committees attend annual general meetings of the Company to answer any questions raised by the shareholders and to ensure that all queries are fully and adequately addressed.

11. PRINCIPLE ON DISCLOSURE OF THIS POLICY

This policy shall be disclosed to the Jamaica Stock Exchange (JSE) and the JSE shall be advised of any changes in the Policy. The policy shall be posted on CCCL's website and be available in print upon the request of any shareholder.

12. PRINCIPLE ON CONTINUOUS REVIEW OF THIS POLICY

The Board adopts a proactive approach to the review of the Company's corporate governance policy and endeavours to maintain adequate, updated and credible corporate governance arrangements in the best interests of the Company and its stakeholders. To this end, the Board will review the policy at least every two (2) years.

Attendance at Board and Committee Meetings

The Board meets based on the pre-approved schedule of meetings for the year. Directors are required to attend board meetings and assigned committee meetings, and to prepare for and actively participate in meetings. The involvement and commitment of directors is evidenced by their regular board and committee meeting attendance as shown in the following table.

Corporate Governance (continued)

Director	Board	Audit & Finance Committee	Corporate Governance Committee	Human Resource Committee
Parris A. Lyew-Ayee, CD	5/5	5/5	N/A	N/A
Jorge Alejandro Martínez Mora	5/5	N/A	N/A	N/A
Francisco Aguilera Mendoza	5/5	N/A	1/1	N/A
Hollis N. Hosein	5/5	5/5	N/A	N/A
Peter Moses, OJ	5/5	5/5	1/1	5/5
Luis Gilberto Ali Moya	4/5	4/5	N/A	N/A
Alejandra Hernandez Blanco	5/5	N/A	2/5	1/5
Alfredo Garza Ramos*	2/5	1/5	N/A	N/A

*Joined October 23, 2024.

Directors' Remuneration

Executive directors do not receive remuneration for services performed.

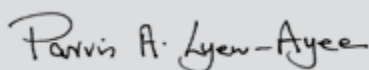
The remuneration of the non-executive directors is determined by an ordinary resolution of the shareholders of the company in accordance with its Articles of Incorporation. The remuneration provided is on the premise that it should be sufficient to attract, retain and motivate directors of the quality required to run the company successfully. In making a recommendation to the shareholders of the company on the remuneration of directors, the Board is guided by the company's Remuneration Policy which provides that remuneration should be determined in accordance with the following principles:

- remuneration based on time required, expertise and experience
- compensation for legal exposure
- comparability with similar companies
- official overseas travel for Board duties

The company compensates its directors fairly and aligns remuneration with the company's strategy. The compensation of directors is made up solely of fees, which are determined by their membership on various committees and any other objective circumstances that the Board may consider. Directors do not receive any share-based compensation.

Revised and approved by the Board of Directors on the 11th day of April 2025

Signed by:



PARRIS A. LYEW - AYEE

Chairman of the Board of Directors – Caribbean Cement Company Limited.



Commercial Director, Rogelio Barahona and his children, Roberta and Mauricio team up to plant young saplings during a community reforestation event, sharing smiles and hope for a greener tomorrow.

Executive Team



Left-right:

Mr. Jorge Alejandro
Martinez Mora (Managing Director, CCCL)

Mr. Miguel Roberto
Estrada Sanchez (Cement Operations & Technical Director, TCL & Jamaica)

Mr. Rogelio
Barahona (Commercial Director)

Mr. Rohan
Anderson (Process Manager)



Left-right:

Mr. Christopher.
Brown (Production Manager)

Mr. Christopher
Bryan (Projects Manager)

Mr. Craig
Neil (Legal Counsel and Company Secretary)

Mr. Angel
Rivera (Supply Chain Manager)

Executive Team (continued)



Left-right:

Mr. Anthony
Jones (Head of Finance)

Mr. Juan José
Ñurinda Vásquez (Strategic Planning Manager)

Mr. Pablo Bahamon
Palencia (Maintenance Manager)

Mr. Eduardo
Guillen Torres (Quarry, Quality and Environment Manager)



Left-right:

Mr. Randy Nuñez
Fuentes (Procurement Manager)

Mr. Garen
Williams (Distribution Sales Manager)

Mr. Andre
Nelson (Industrial and Building Solutions Manager)

Mr. Norville
Clarke (Group Enterprise Risk Manager)

Executive Team (continued)



Left-right:

Mr. Jorge Enrique

Camelo (Human Resources Director, TCLG)

Mr. Andre

Haynes (Industrial Health & Safety Leader)

Mrs. Shannen

Suckra Baker (Sustainability Leader, TCLG)



Carib Cement, in partnership with the National Environment and Planning Agency (NEPA), signs a Memorandum of Agreement (MOA) under the “Adopt-a-Mangrove” programme to protect and preserve the vital mangrove ecosystem at Gallows Point in the Palisadoes Port Royal Protected Area.



JORGE ALEJANDRO MARTÍNEZ MORA
Managing Director

Managing Director's Report & Management Discussion

HEALTH AND SAFETY

Health and safety remain our top priority. Through the continued implementation and enforcement of the Cemex Health and Safety Management System, we are proud to report 879 days without a Lost Time Incident (LTI) at our Rockfort facility, and 3,561 days LTI-free at our quarries.

However, we have not become complacent by these figures, as near misses and minor treatment cases still occur, each with the potential to result in more serious outcomes. As such, training and development remain key areas of focus on our health and safety agenda, as we work to foster a positive safety culture aimed at reducing unsafe actions and behaviours.

Our training programmes include modules on Lock-Out, Tag-Out, Try-Out procedures, the Health and Safety Academy, 365 Behavioural Safety, and Visible Felt Leadership.



Ahead of safety walks, the leadership team actively engages in a "Take 5" activity to further reinforce our commitment to workplace safety.

Managing Director’s Report & Management Discussion (continued)

We also continue to emphasise the importance of road safety through our Driving School and driver evaluation programme, alongside various Vulnerable Road User initiatives. These are conducted in partnership with schools and communities, including those with disabilities.

Through these efforts, we aim not only to raise awareness with the wider public but also to ensure that our drivers gain valuable insight by learning from the experiences of vulnerable road users.

ENVIRONMENT AND QUALITY

FUTURE IN ACTION – COMMITTED TO NET ZERO CO₂

Through the six key pillars of our “Future in Action” programme — Sustainable Products and Solutions, Decarbonising Our Operations, Circular Economy, Water, Biodiversity and Air Emissions, Innovation and Partnerships, and Promoting a Green Economy — we continue to strengthen our commitment to sustainable excellence, with the goal of becoming a net-zero company by 2050.

We remain focused on achieving Cemex’s target of reducing CO₂ emissions to 430kgs per metric tonne of cementitious products by 2030, which represents a 47 per cent reduction. In support of this goal, our operations in Jamaica continued the production of high-early strength cement, underscoring our commitment to sustainable, circular solutions while delivering a superior product that helps reduce our carbon footprint.

In 2024, we made significant progress with our US\$40 million capacity expansion project, which remains on track for completion in 2025. This project will increase our production capacity and strengthen our ability to meet local demand and cater to export market within CARICOM, while simultaneously reducing our environmental impact in Jamaica.



As part of its ongoing expansion project, scheduled for completion in the first half of 2025, Caribbean Cement Company Limited has installed a 160-tonne capacity surge bin along with solid fuel equipment.

We also continue to explore innovative approaches to fuel diversification as part of our sustainability strategy. In 2024, we maintained our use of waste oil as an alternative fuel and expanded our efforts through strategic partnerships. Notably, we co-processed 151 tonnes of tyres in collaboration with the Government of Jamaica and commenced work with Clean Harbours Jamaica Ltd, a project focused on reducing waste inflows into the Kingston Harbour. We also supported coastal clean-up initiatives by co-processing collected waste, providing a more sustainable waste management solution.

Managing Director’s Report & Management Discussion (continued)



In line with our sustainability strategy, we continue to explore innovative approaches to fuel diversification, including the use of waste petroleum sourced from our neighbouring partners.

To further our commitment, we have pledged to transform our facilities into Zero Waste Plants. Through the acquisition of Regenera certification, by 2026 we aim to reinforce our dedication to circularity in our operations.

Biodiversity management in Jamaica saw marked progress in 2024, particularly through the Kingston Harbour Restoration and Revitalisation Project. As part of NEPA’s Adopt-A-Mangrove Programme, we adopted six hectares of mangrove forest at Gallows Point — a Ramsar site

of international ecological significance. Additionally, our Cemex R&D Centre in Switzerland developed pilot structures using floating concrete to aid in mangrove restoration. In partnership with NEPA, we also finalised the project scope for a pilot initiative in 2025 using these structures.

During the year, we invested approximately J\$471 million in managing fugitive dust emissions. While our global efforts remain focused on reducing CO₂, we are equally committed to mitigating local environmental impacts.

Building resilience while pursuing a sustainable and just transition to low-carbon products continues to be a challenge which we embrace wholeheartedly. The achievements of 2024 are a testament to the strength of our teams and the power of innovation in driving meaningful progress.

QUALITY

All cement dispatched in 2024 fully complied with both the Jamaica Standards (JS) and American Society for Testing and Materials (ASTM) product specifications. Our in-house laboratory successfully demonstrated its technical competence by conducting nine standard test methods on cement and maintaining our ISO/IEC 17025:2017 Plant Accreditation throughout the year.



Our in-house lab testing highlights our commitment to excellence, meeting top standards and reinforcing our promise of quality and reliability.

Managing Director’s Report & Management Discussion (continued)

CUSTOMER CENTRICITY

We remain committed to our valued customers and hosted several engagement events across the island in the parishes of St. James, Mandeville, Kingston, and St. Ann. These events provided valuable opportunities to connect with our customers, share updates, and reinforce partnerships.

We were particularly pleased to return to Montego Bay for our annual year-end customer appreciation event, where we shared progress updates on several of our flagship projects.

The year was also a testament of the company’s resilience. Despite the challenges presented by hurricane Beryl and storms Helen and Rafael, our Rockfort team rallied with determination and teamwork. We are grateful for the ongoing support of our customers and the understanding of the wider industry in the face of these extraordinary meteorological events.

MARKET REVIEW

Despite experiencing a decline in 2024, domestic cement demand in Jamaica remained relatively robust. Overall, demand decreased by approximately 6.2% compared to 2023, primarily due to the disruptive effects of hurricane Beryl and other weather events that slowed construction activity.



Despite a slight dip in 2024, domestic cement demand in Jamaica remained strong, reflecting the sector’s underlying resilience and continued confidence in national development projects.

As a result, Caribbean Cement Company Limited’s total domestic sales volume declined by 5.2% year-on-year. This included a 3.9% decrease in bagged cement sales and an 8.6% decrease in bulk cement sales, reflecting varied performance across our market segments.

These trends illustrate the dynamic nature of the Jamaican construction market and underscore the importance of agility and resilience in meeting our customers’ evolving needs.

FINANCIALS

In 2024, Caribbean Cement Company Limited recorded revenue of J\$27.9 billion, reflecting a 0.7% increase compared to 2023. This growth was primarily driven by strategic initiatives aimed at mitigating the effects of market contraction and rising inflation. The increase also reflects the company’s successful cost-saving initiatives and recovery strategies following the impact of hurricane Beryl.

Managing Director's Report & Management Discussion (continued)

Net operating earnings before other expenses totalled J\$8.6 billion, while operating earnings after other expenses stood at J\$7.6 billion, representing a modest increase of J\$0.2 billion over the previous year.

Despite the significant challenges presented by Hurricane Beryl, the company swiftly restored production and stabilised its major equipment. This resilience helped mitigate the impact of rising operational costs.

Earnings before taxation reached J\$7.8 billion, slightly ahead of the J\$7.3 billion achieved in 2023. Consolidated net income rose substantially to J\$6.0 billion, compared to J\$5.6 billion the previous year.

In terms of cash flow, net cash provided by operating activities amounted to J\$12.0 billion, a significant improvement over J\$7.5 billion in 2023. This strong cash generation enabled the company to fully repay its long-term debts during the year.

OPERATIONS

Caribbean Cement Company Limited continued to execute its annual capital expenditure plan with a total investment of J\$5.8 billion in 2024. The Capital Expenditure Committee approved fifty six projects as part of this portfolio, all aligned with our strategic focus on health and safety, environmental sustainability, and long-term business growth.

Projects advanced through various phases including engineering, procurement, construction, and commissioning. Notable investments included engineering works for the Fugitive Emissions Project, supporting our Future in Action goals, as well as major procurement and execution milestones such as:

- Kiln expansion
- Cement Mill No. 4 shell replacement, separator, and storage bin upgrades
- Phase 2 of the new administration building
- Rockfort Mineral Bath upgrades
- Installation of a tyre shredder
- Development of the JGQ Customer Service Facility
- Expansion of CCTV and IT infrastructure

SUSTAINABLE ROAD SOLUTIONS

In 2024, we continued to advocate for the deployment of concrete in road construction as a durable and sustainable infrastructure solution. In partnership with the Jamaican Government, we provided technical guidance for the construction of several fords, including Benson in Norbrook, St. Andrew and Grant's Pen, Kingston 8, ensuring their resilience against heavy rainfall and reducing pothole formation.

The National Works Agency (NWA) advanced its rigid pavement strategy across two Class 'B' roadways that are historically prone to flood damage.

Managing Director's Report & Management Discussion (continued)

We remain committed to supporting high-impact projects that deliver long-term, road solutions.

HUMAN CAPITAL

We provided an outstanding experience for our employees and their families throughout the year, launching several initiatives that reinforced our culture of care, inclusion, and innovation.

Key highlights include:

- **Gold-Level Recognition in Diversity, Equity, and Inclusion (DEI):**
Through our internal EquiCemex programme, we achieved gold-level recognition in DEI. Over 15 activities were held to foster an inclusive environment. One standout initiative was our awareness session with individuals with disabilities, where we shared insights into our operations and learned about the barriers faced by people with disabilities.
- **Family Engagement Activities:**
Events such as our Family Plant Tour and Family Fun Day helped strengthen the bond between our employees and the organisation while also promoting safety awareness in an engaging, family-friendly setting.
- **New Digital Platforms and Technologies:**
To enhance internal processes and promote efficiency, we introduced a new digital platform to automate vacation requests, significantly improving response times and user experience.
- **Inclusive Leadership Communication Campaign:**
We launched an internal campaign to promote four key principles of inclusive leadership, reinforcing our commitment to a workplace culture that embraces diversity and fosters positivity at all levels of leadership.

As a result of these efforts, employee engagement increased by six points compared to 2023, further solidifying our reputation as an excellent and progressive workplace.

INNOVATION: A CORE VALUE IN OUR COMPANY

In 2024, we made significant strides in embedding innovation as a fundamental value within our organisational culture. This commitment is reflected in the day-to-day adoption of innovative practices and the cultivation of an environment that encourages creativity and continuous improvement. Our efforts to embrace innovation have been supported through initiatives such as Sip & Think and Innovation Circles, which have provided our teams with structured, effective platforms to collaborate and generate ideas.

Managing Director's Report & Management Discussion (continued)

Key Achievements in Innovation

1. Participation in the Cemex South, Central America and Caribbean (SCAC) Regional Funnel

Over the past year, two of our ideas included in the Smart Innovation Funnel were selected to compete at the regional level. This recognition underscores the quality and potential of our innovative proposals, highlighting our ability to create ideas with the potential to make a significant impact across the region.

2. Replicability Award

We are proud to announce that we have won the Replicability Award with a total of 11 ideas. This accolade acknowledges our capability to develop initiatives that are not only innovative but also adaptable and replicable across different contexts and geographies, thereby amplifying their positive impact. Replication is innovative, as it enables the best practices and solutions to be tailored and implemented in various settings, yielding benefits on a broader scale.

3. Idea Generation in TCLG

The TCL Group has proven to be a leader in idea generation, ranking second in the region with 119 ideas submitted in 2024. Furthermore, Jamaica contributed 58 ideas, achieving a remarkable 427% improvement compared to 2023. This accomplishment reflects the dedication and creativity of our teams, who consistently strive to find new ways to enhance our processes and products.

Innovation has truly become a cornerstone of our corporate strategy. Through the implementation of the Smart Innovation Funnel and the active involvement of our local team with regional support, we have shown our ability to generate and nurture ideas that can transform our industry. The challenge for 2025 will be to continue embedding innovative practices into our daily operations and to fully embrace innovation as an integral part of our culture. We will keep fostering an environment where every member of our organisation can contribute their ideas and play an active role in our journey towards a more innovative future.

MACROECONOMIC OUTLOOK

Following a strong rebound in Gross Domestic Product (GDP) of 5.2% in 2022, Jamaica experienced a slowdown in economic growth over the subsequent two years, with GDP expanding by 2.6% in 2023 and 1.3% in 2024. Positively, a modest recovery is projected for 2025.

Despite increases in the prices of several key goods and services — notably education services, food and non-alcoholic beverages, alcoholic beverages, tobacco and narcotics, furnishings, household equipment and maintenance, as well as recreation, sport and culture — the inflation rate for 2024 remained

Managing Director's Report & Management Discussion (continued)

within the Bank of Jamaica's target range of 4% to 6%, closing the year at 5.8%.

The construction sector has maintained a positive trajectory in recent years. During 2024, there was notable growth in the industrial and commercial segments, although the residential sector experienced a decline. A recovery in residential construction is expected in 2025, alongside continued expansion in other areas of the sector.

Looking ahead, the key challenge for 2025 and beyond will be to fully restore pre-pandemic levels of economic growth. Maintaining a growth trend will depend on the continued creation of employment opportunities through increased local production and the execution of strategic development projects, which the company expects to leverage.



Jorge Alejandro Martínez Mora
Managing Director, CCCL



LAMAR

“Carib Cement is having a big positive impact in the Bull Bay community in areas such as youth development, infrastructure development and overall partnership towards a better future for everyone”.

Lamar Clarke

Bull Bay Community Group President



Commercial team members share a moment of gratitude with some of our valued customers during a special appreciation event, underscoring the company's commitment to building lasting relationships.



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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Caribbean Cement Company Limited (“the company”) comprising the separate financial statements of the company and the consolidated financial statements of the company and its subsidiaries (“the group”), set out on pages 61 to 106 which comprise the group’s and company’s statements of financial position as at December 31, 2024, the group’s and company’s income statements, statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at December 31, 2024, and of the Group’s and the Company’s financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Jamaican Companies Act.

KPMG, a Jamaican partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Cynthia L. Lawrence
Rajan Trehan
Norman O. Rainford
Nigel R. Chambers

Nyssa A. Johnson
Wilbert A. Spence
Sandra A. Edwards

Karen Ragoobirsingh
Al A. Johnson
Damion D. Reid



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements (Continued)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the group and the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Carrying amount of inventories

See note 10 and note 2.3 (i) of the consolidated financial statements.

Key audit matter

How the matter was addressed in our audit

The group has material inventory balance valuing J\$3,812,671,000 (\$4,851,293,000) with two main areas of estimates which involves management judgement.

Our main audit procedures in response to this matter, included:

- i) The estimation of the physical quantities of stockpiles is a key audit matter because there might be errors in the conversion and calculation of the quantities of raw materials such as gypsum and clinker which are combined to produce cement.

- Testing the reconciliation of the stockpile measurement to the final inventory listing.
- Attending the year-end physical stock counts for selected locations including those where the Group engaged an Aerial Surveyor to assist with the assessment of the inventory stockpile measurements used and the adherence to appropriate stock count processes.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Carrying amount of inventories (continued)

See note 10 and note 2.3 (i). of the consolidated financial statements (continued)

Key audit matter

The group has material inventory balance valuing J\$3,812,672,000 (\$4,851,293,000) with two main areas of estimates which involves management judgement (continued).

- ii) Due to the significant volume of material spare parts held by the group and the frequency of transactions, there is an inherent risk that material misstatements could arise due to the quantity of inventory items being incorrectly recorded.

Additionally, the company made an adjustment to its spare parts inventory during the year amounting to J\$734,000,000. The adjustment was split between a write-off of inventory amounting to \$465,000,000 and a reclassification of items from inventory to property, machinery and equipment valuing \$269,000,000.

How the matter was addressed in our audit

Our main audit procedures in response to this matter, included:

- Considering the competence and independence of management's employed surveyors.
- Assessing the results of the surveyors' reports and seeking to understand and corroborate the reasons for significant or unusual movements in inventory quantities between the accounting records and the results of the inventory stockpile measurements performed as part of the year-end physical stock counts.
- Observation of annual inventory counts and selecting a sample of items for testing and agreeing count quantities to final inventory listings.
- Testing the completeness and accuracy of the inventory written off during the year, which included an assessment of whether amounts written off during the current year materially impacted the prior year financial statements.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Carrying amount of inventories (continued)

See note 10 and note 2.3 (i). of the consolidated financial statements (continued)

Key audit matter

How the matter was addressed in our audit

Our main audit procedures in response to this matter, included (continued):

- Assessing the group's policy for compliance with IFRS Accounting Standards and industry norm based on our accumulated audit knowledge of the business and our inspection of a sample of items written off.
- Testing a sample of items transferred from inventory to property, machinery and equipment to determine the accuracy of the transfer.
- Assessing the appropriateness of the items transferred by evaluating whether the group's policy was in line with the applicable accounting standards.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Valuation of employee benefits obligation

See note 18 and note 2.3(iv) of the consolidated financial statements.

Key audit matter

The Group operates a post-retirement medical benefit scheme for which the employee benefits obligation is \$1,076,210,000 (2023: \$818,919,000).

The valuation of this liability involves some level of complexity. Additionally, given the size of the obligation, small changes in the assumptions can have a material financial impact on the Group's financial statements. The key assumptions involved in calculating the obligation are the discount rate, inflation rate and future growth in medical rates.

How the matter was addressed in our audit

Our main audit procedures in response to this matter, included:

- Evaluating the design and implementation of controls and effectiveness thereof.
- Evaluating the competency and objectivity of management's actuarial expert.
- With the assistance of our actuarial specialists, evaluate the appropriateness of the assumptions and method used by the management appointed external actuary by assessing consistency with industry standards, guidance inter alia, from the Institute of Chartered Accountants of Jamaica and that the estimate was calculated in accordance with the requirements of the IFRS Accounting Standards.
- Considering the appropriateness and adequacy of the accounting policy and disclosures.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements (Continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and/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's and company's financial reporting process.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Report on the Audit of the Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements

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

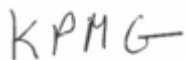
A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 59 to 60, forms part of our auditors' report.

Report on additional matters as required by the Jamaican Companies Act

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

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

The engagement partner on the audit resulting in this independent auditors' report is Al Johnson.



KPMG

Chartered Accountants
Kingston, Jamaica

March 3, 2025



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Appendix to the Independent Auditors' Report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Shareholders of
CARIBBEAN CEMENT COMPANY LIMITED

Appendix to the Independent Auditors' Report (Continued)

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the 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.

CARIBBEAN CEMENT COMPANY LIMITED
Group Income Statement

(Thousands of Jamaica Dollars)

	Notes	Year ended December 31	
		2024	2023
Revenue	3	\$ 27,908,880	27,719,929
Cost of sales	4 (ii)	(16,330,810)	(16,418,152)
Gross profit		11,578,070	11,301,777
Administrative expenses		(1,254,871)	(1,134,564)
Selling expenses		(233,186)	(222,242)
Distribution and logistics expenses		(1,534,400)	(1,498,771)
Recovery of impairment loss on trade account receivables	8	—	32
Total operating expenses	4 (ii)	(3,022,457)	(2,855,545)
Operating earnings before other income and other expenses	4 (i)	8,555,613	8,446,232
Other income	5	438,358	18,640
Other expenses	5	(1,346,405)	(1,040,241)
Operating earnings		7,647,566	7,424,631
Financial income	2.21	408,994	128,408
Financial expenses	6	(126,644)	(193,120)
Loss on foreign exchange		(158,066)	(100,189)
Earnings before taxation		7,771,850	7,259,730
Taxation charge	19.1	(1,819,750)	(1,683,300)
CONSOLIDATED NET INCOME		\$ 5,952,100	5,576,430
Basic and diluted earnings per share (expressed in \$)	21	6.99	6.55

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED

Group Statement of Comprehensive Income

(Thousands of Jamaica Dollars)

	Notes	Year ended December 31	
		2024	2023
CONSOLIDATED NET INCOME		5,952,100	5,576,430
Items that will not be reclassified subsequently to the income statement:			
Net actuarial (loss) gain from remeasurement of employee benefits obligation	18	(202,521)	196,961
Deferred tax recognised directly in other comprehensive income	19.2	50,630	(49,240)
		\$ (151,891)	147,721
Items that are or may be reclassified subsequently to the income statement:			
Effects from derivative financial instruments designated as cash flow hedge	14.3	130,212	(94,387)
Total items of other comprehensive (loss) income, net		\$ (21,679)	53,334
TOTAL CONSOLIDATED COMPREHENSIVE INCOME		\$ 5,930,421	5,629,764

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED
Group Statement of Financial Position
(Thousands of Jamaica Dollars)

	Notes	As of December 31	
		2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	\$ 8,489,875	4,021,335
Trade accounts receivable	8	336,862	340,944
Income tax recoverable		—	84,306
Other accounts receivable	9	296,491	335,157
Inventories	10	3,812,671	4,851,293
Accounts receivable from related parties	22.1	45,840	10,945
Other current assets	11	211,034	160,387
Total current assets		\$ 13,192,773	9,804,367
NON-CURRENT ASSETS			
Property, machinery and equipment, net	13	27,671,143	23,392,664
Total non-current assets		27,671,143	23,392,664
TOTAL ASSETS		\$ 40,863,916	33,197,031
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Other financial obligations	14.1	45,638	58,479
Trade payables	15	5,866,639	3,390,414
Accounts payable to related parties	22.1	573,673	359,084
Income tax payable		152,232	—
Provisions	17	34,359	35,082
Other current liabilities	16	1,714,932	1,626,985
Total current liabilities		\$ 8,387,473	5,470,044
NON-CURRENT LIABILITIES			
Other financial obligations	14.1	87,810	120,912
Employee benefits	18	1,076,210	818,919
Deferred taxation liabilities	19.2	2,914,483	2,672,494
Provisions	17	82,729	61,420
Total non-current liabilities		4,161,232	3,673,745
TOTAL LIABILITIES		\$ 12,548,705	9,143,789
SHAREHOLDERS' EQUITY			
Share capital:			
Ordinary shares	20.1	1,808,837	1,808,837
Capital contribution	20.1	3,844,684	3,840,224
Reserves:			
Realised capital gain	20.2(a)	1,413,661	1,413,661
Other equity reserves	20.2(b)	5,113,585	4,983,373
Accumulated net income	20.2(c) (iii)	16,134,444	12,007,147
TOTAL SHAREHOLDERS' EQUITY		28,315,211	24,053,242
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 40,863,916	33,197,031

These financial statements on pages 61 to 106 were approved by the Board of Directors on March 3, 2025, and signed on their behalf by:



Parris A. Lyew-Ayee

Chairman



Jorge Martinez

Director

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED

Group Statement of Cash Flows

(Thousands of Jamaica Dollars)

	Notes	Year ended December 31	
		2024	2023
OPERATING ACTIVITIES			
Consolidated net income		\$ 5,952,100	5,576,430
Adjustments for:			
Depreciation	4(iv), 13	1,734,159	1,509,191
Recovery of impairment loss on trade accounts receivables	8	—	(32)
Interest income		(408,994)	(128,408)
Interest expense	6	89,202	124,597
Taxation charge	19	1,819,750	1,683,300
Increase (decrease) in rehabilitation provision	17	9,299	(15,499)
Inventory write off	5, 10	493,722	254,987
Increase in inventory obsolescence provision	5, 10	—	237,589
Write-off of property, machinery and equipment	5	25,024	—
Reversal of stockholding and inventory restructuring provision	5, 10	(15,187)	(13,276)
Employee benefit expenses	18	12,854	11,487
Unwinding of discount on rehabilitation provision	6, 17	11,651	22,142
Unwinding of discount on lease liabilities	6, 14.1	14,929	13,047
Unrealised foreign exchange (gains) losses, net		(31,013)	60,155
Changes in working capital, excluding taxes		3,216,518	(112,467)
Net cash flow provided by operating activities before employee benefits paid, interest received, interest paid and taxation paid		12,924,014	9,223,243
Employee benefits paid	18	(47,286)	(41,306)
Interest received		408,994	128,408
Interest paid		—	(6,661)
Taxation paid		(1,290,593)	(1,795,659)
Net cash flows provided by operating activities		11,995,129	7,508,025
INVESTING ACTIVITY			
Acquisition of property, machinery and equipment	4(iv), 13	(5,764,088)	(1,748,297)
Net cash flows used in investing activity		(5,764,088)	(1,748,297)
FINANCING ACTIVITIES			
Repayment of long-term debt		—	(608,208)
Dividends paid	20.2(d)	(1,672,912)	(1,630,580)
Payment of lease liabilities	6, 14.1	(80,759)	(84,625)
Net cash flows used in financing activities		(1,753,671)	(2,323,413)
Increase in cash and cash equivalents		4,477,370	3,436,315
Cash conversion effect, net		(8,830)	10,563
Cash and cash equivalents at beginning of period		4,021,335	574,457
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7	8,489,875	4,021,335
Changes in working capital, excluding taxes:			
Trade accounts receivable		4,082	(79,892)
Other current assets		(47,252)	252,744
Inventories		311,691	147,176
Trade payables		2,496,711	68,678
Provisions		(364)	(986)
Other current liabilities		451,650	(500,187)
Changes in working capital, excluding taxes		\$ 3,216,518	(112,467)

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED
Group Statement of Changes in Stockholders' Equity
(Thousands of Jamaica Dollars)

Year ended December 31

Notes	Reserves					Total capital & reserves
	Ordinary shares	Capital contribution	Realised capital gain	Other equity reserves	Accumulated net income	
	\$ 1,808,837	3,840,224	1,413,661	5,077,760	7,898,156	20,038,638
Balance as of December 31, 2022					5,576,430	5,576,430
Net income for the year	—	—	—	—	—	—
Other comprehensive income:						
Net actuarial gains from remeasurements of defined benefit pension plans	—	—	—	—	147,721	147,721
Effects from derivative financial instruments designated as cash flow hedge	—	—	—	(94,387)	—	(94,387)
Transactions with owners:						
Dividends	—	—	—	—	(1,615,160)	(1,615,160)
Balance as of December 31, 2023	\$ 1,808,837	3,840,224	1,413,661	4,983,373	12,007,147	24,053,242
Net income for the year	—	—	—	—	5,952,100	5,952,100
Other comprehensive income:						
Net actuarial gains from remeasurements of defined benefit pension plans	—	—	—	—	(151,891)	(151,891)
Effects from derivative financial instruments designated as cash flow hedge	—	—	—	130,212	—	130,212
Transactions with owners:						
Dividends	—	—	—	—	(1,672,912)	(1,672,912)
Capital contribution	—	4,460	—	—	—	4,460
Balance as of December 31, 2024	\$ 1,808,837	3,844,684	1,413,661	5,113,585	16,134,444	28,315,211

The accompanying notes are an integral part of these financial statements

CARIBBEAN CEMENT COMPANY LIMITED

Company Income Statement

(Thousands of Jamaica Dollars)

	Notes	Year ended December 31	
		2024	2023
Revenue	3	\$ 27,908,880	27,719,929
Cost of sales	4 (ii)	(16,330,810)	(16,418,152)
Gross profit		\$ 11,578,070	11,301,777
Administrative expenses		(1,226,279)	(1,111,809)
Selling expenses		(233,186)	(222,242)
Distribution and logistics expenses		(1,534,400)	(1,498,771)
Recovery of impairment loss on trade account receivables	8	—	32
Total operating expenses	4 (ii)	(2,993,865)	(2,832,790)
Operating earnings before other income and other expenses	4 (i)	8,584,205	8,468,987
Other income and credits	5	438,358	18,640
Other expenses	5	(1,406,949)	(1,050,347)
Operating earnings		\$ 7,615,614	7,437,280
Financial income	2.21	408,994	128,408
Financial expenses	6	(126,644)	(193,120)
Loss on foreign exchange		(158,066)	(100,189)
Earnings before taxation		\$ 7,739,898	7,272,379
Taxation charge	19.1	(1,819,750)	(1,683,300)
NET INCOME		\$ 5,920,148	5,589,079

The accompanying notes are an integral part of these financial statements..

CARIBBEAN CEMENT COMPANY LIMITED
 Company Statement of Comprehensive Income
 (Thousands of Jamaica Dollars)

	Notes	Year ended December 31	
		2024	2023
NET INCOME		5,920,148	5,589,079
Items that will not be reclassified subsequently to the income statement:			
Net actuarial (loss) gain from remeasurement of employee benefits obligation	18	(202,521)	196,961
Deferred tax recognised directly in other comprehensive income	19.2	50,630	(49,240)
		(151,891)	147,721
Items that are or may be reclassified subsequently to the income statement:			
Effects from derivative financial instruments designated as cash flow hedge	14.3	130,212	(94,387)
Total items of other comprehensive (loss) income, net		(21,679)	53,334
TOTAL COMPREHENSIVE INCOME		5,898,469	5,642,413

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED

Company Statement of Financial Position

(Thousands of Jamaica Dollars)

	Notes	As of December 31	
		2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	\$ 8,489,814	4,021,330
Trade accounts receivable	8	336,862	340,944
Income tax recoverable		—	84,306
Other accounts receivable	9	296,204	334,871
Inventories	10	3,812,671	4,851,293
Accounts receivable from related parties	22.1	45,840	10,945
Accounts receivable from subsidiary	22.4	—	34,683
Other current assets	11	211,032	160,385
Total current assets		\$ 13,192,423	9,838,757
NON-CURRENT ASSETS			
Property, machinery and equipment, net	13	27,670,084	23,391,449
Investments in subsidiary	12	—	—
Total non-current assets		27,670,084	23,391,449
TOTAL ASSETS		\$ 40,862,507	33,230,206
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Other financial obligations	14.1	45,638	58,479
Trade payables	15	5,866,639	3,389,988
Accounts payable to related parties	22.1	573,673	359,084
Income tax payable		152,232	—
Provisions	17	34,359	35,082
Other current liabilities	16	1,711,317	1,626,428
Total current liabilities		\$ 8,383,858	5,469,061
NON-CURRENT LIABILITIES			
Other financial obligations	14.1	87,810	120,912
Employee benefits	18	1,076,210	818,919
Deferred taxation liabilities	19.2	2,914,483	2,672,494
Provisions	17	82,729	61,420
Total non-current liabilities		4,161,232	3,673,745
TOTAL LIABILITIES		\$ 12,545,090	9,142,806
SHAREHOLDERS' EQUITY			
Share capital:			
Ordinary shares	20.1	1,808,837	1,808,837
Capital contribution	20.1	3,844,684	3,840,224
Reserves:			
Realised capital gain	20.2(a)	1,413,656	1,413,656
Other equity reserves	20.2(b)	5,113,585	4,983,373
Accumulated net income	20.2(c) (iii)	16,136,655	12,041,310
TOTAL SHAREHOLDERS' EQUITY		28,317,417	24,087,400
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 40,862,507	33,230,206

These financial statements on pages 61 to 106 were approved by the Board of Directors on March 3, 2025, and signed on their behalf by:



Chairman

Parris A. Lyew-Ayee



Director

Jorge Martinez

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED
Company Statement of Cash Flows
(Thousands of Jamaica Dollars)

	Notes	Year ended December 31,	
		2024	2023
OPERATING ACTIVITIES			
Net income		\$ 5,920,148	5,589,079
Adjustments for:			
Depreciation	4(iv), 13	1,734,003	1,509,036
Recovery of impairment loss on trade accounts receivables	8	—	(32)
Impairment loss on investment in subsidiary	6, 12	46,666	—
Interest income		(408,994)	(128,408)
Interest expense	6	89,202	124,597
Taxation charge	19	1,819,750	1,683,300
Increase (decrease) in rehabilitation provision	17	9,299	(15,499)
Inventory write off	5, 10	493,722	254,987
Increase in inventory obsolescence provision	5, 10	—	237,589
Write-off of property, machinery and equipment	5	25,024	—
Reversal of stockholding and inventory restructuring provision	5, 10	(15,187)	(13,276)
Employee benefit expenses	18	12,854	11,487
Unwinding of discount on rehabilitation provision	6, 17	11,651	22,142
Unwinding of discount on lease liabilities	6, 14.1	14,929	13,047
Unrealised foreign exchange (gains) losses, net		(31,013)	60,155
Changes in working capital, excluding taxes		3,248,570	(124,961)
Net cash flow provided by operating activities before employee benefits paid, interest received, interest paid and taxation paid		12,970,624	9,223,243
Employee benefits paid	18	(47,286)	(41,306)
Interest received		408,994	128,408
Interest paid		—	(6,661)
Taxation paid		(1,290,593)	(1,795,659)
Net cash flows provided by operating activities		12,041,739	7,508,025
INVESTING ACTIVITIES			
Acquisition of property, machinery and equipment	4(iv), 13	(5,764,088)	(1,748,297)
Investment in subsidiary	6, 12	(46,666)	—
Net cash flows used in investing activities		(5,810,754)	(1,748,297)
FINANCING ACTIVITIES			
Repayment of long-term debt		—	(608,208)
Dividends paid	20.2(d)	(1,672,912)	(1,630,580)
Payment of lease liabilities	6, 14.1	(80,759)	(84,625)
Net cash flows used in financing activities		(1,753,671)	(2,323,413)
Increase in cash and cash equivalents		4,477,314	3,436,315
Cash conversion effect, net		(8,830)	10,563
Cash and cash equivalents at beginning of period		4,021,330	574,452
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7	8,489,814	4,021,330
Changes in working capital, excluding taxes:			
Trade accounts receivable		4,082	(79,892)
Other current assets		(12,568)	239,768
Inventories		311,691	147,176
Trade payables		2,497,137	68,979
Provisions		(364)	(986)
Other current liabilities		448,592	(500,006)
Changes in working capital, excluding taxes	\$	3,248,570	(124,961)

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED
Company Statement of Changes in Stockholders' Equity
(Thousands of Jamaica Dollars)

Year ended December 31

	Notes	Reserves					Total capital & reserves
		Ordinary shares	Capital contribution	Realised capital gain	Other equity reserves	Accumulated net income	
Balance as of December 31, 2022		\$ 1,808,837	3,840,224	1,413,656	5,077,760	7,919,670	20,060,147
Net income for the year		—	—	—	—	5,589,079	5,589,079
Other comprehensive income:							
Net actuarial gains from remeasurements of defined benefit pension plans		—	—	—	—	147,721	147,721
Effects from derivative financial instruments designated as cash flow hedge	14.3	—	—	—	(94,387)	—	(94,387)
Transactions with owners:							
Dividends	20.2(d)	—	—	—	—	(1,615,160)	(1,615,160)
Balance as of December 31, 2023		\$ 1,808,837	3,840,224	1,413,656	4,983,373	12,041,310	24,087,400
Net income for the year		—	—	—	—	5,920,148	5,920,148
Other comprehensive income:							
Net actuarial gains from remeasurements of defined benefit pension plans		—	—	—	—	(151,891)	(151,891)
Effects from derivative financial instruments designated as cash flow hedge	14.3	—	—	—	130,212	—	130,212
Transactions with owners:							
Dividends	20.2(d)	—	—	—	—	(1,672,912)	(1,672,912)
Capital contribution	20.1(i) b	—	4,460	—	—	—	4,460
Balance as of December 31, 2024		\$ 1,808,837	3,844,684	1,413,656	5,113,585	16,136,655	28,317,417

The accompanying notes are an integral part of these financial statements.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

1) DESCRIPTION OF BUSINESS

Caribbean Cement Company Limited (the “Company”) and its subsidiary (note 2.2) are incorporated under the laws of Jamaica. The Company is a limited liability public company listed on the Jamaica Stock Exchange and is domiciled in Jamaica. The registered office of the Company is at Rockfort, Kingston, Jamaica.

The Company is a 65.65% owned subsidiary of TCL (Nevis) Limited. TCL (Nevis) Limited is a wholly owned subsidiary of Trinidad Cement Limited (TCL) (the “Parent Company”), which also owns 8.45% of the ordinary shares of the Company.

On January 24, 2017, CEMEX, S.A.B. de C.V., through its indirect subsidiary Sierra Trading, acquired 113 million of the ordinary shares of TCL and on that date increased its shareholding from 39.5% to a majority stake of 69.8% of the total issued ordinary shares of TCL. Consequent on this transaction, TCL became a subsidiary of Sierra Trading, with CEMEX, S.A.B. de C.V., a company incorporated in and domiciled in Mexico and listed on the Mexican and New York Stock Exchanges, becoming the ultimate parent of TCL and the Company.

The principal activities of Caribbean Cement Company Limited and its subsidiary (the “Group”) are the manufacture and sale of cement, clinker and the mining and sale of gypsum, shale and pozzolan. The Group operates in Jamaica.

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES

2.1) BASIS OF PRESENTATION AND DISCLOSURE

Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and the relevant provisions of the Jamaican Companies Act (“the Act”).

Basis of measurement

These financial statements have been prepared under the historical cost basis, except for the fuel hedge liabilities, share-based compensation and employee benefits obligation which have been measured at fair value.

Functional and presentation currency and definition of terms

During the reported periods, the presentation currency of the Group financial statements is in the Jamaica dollar, which is the functional and presentation currency of the Company and its subsidiary. When reference is made to dollars or “\$” it means Jamaica dollars. The amounts in the financial statements and the accompanying notes are stated in thousands, except when stated otherwise. When reference is made to “US\$”, it means the currency of the United States of America (“United States”). When reference is made to “€” or “Euro”, it means the common currency of the European Union.

Newly issued and amended adopted in 2024

Certain new and amended standards that were issued came into effect during the current financial year. None of these standards had an effect on these financial statements except for the disclosures under Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7. This resulted in certain additional disclosures in note 15 and liquidity risk disclosure in note 14.4.

2.2) PRINCIPLES OF CONSOLIDATION

The Group financial statements include those of Caribbean Cement Company Limited and those of the entity in which the Company exercises control, by means of which the Company is exposed, 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’s relevant activities, balances and operations. The Company’s subsidiary, together with the Company, are referred to as “the Group.” Intra-group balances and transactions are eliminated on consolidation.” The group financial statements include:

Entity	Principal Activity	Country of Incorporation	% Equity interest	
			2024	2023
Rockfort Mineral Bath Complex Limited	Spa facility	Jamaica	100	100

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.3) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. These assumptions are reviewed on an ongoing basis using available information. Actual results could differ from these estimates. The items subject to significant estimates and assumptions by management include:

(i) Net realisable value of inventories

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made of the amounts the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events after the period end to the extent that such events confirm conditions existing at the end of the year.

(ii) Residual value and expected useful life of long-lived assets.

The residual values and expected useful lives of long-lived assets are reviewed at least annually. If expectations differ from previous estimate, the change is accounted for accordingly. The useful life of an asset is defined in terms of the asset's expected value in use to the group.

(iii) Rehabilitation provision

The provision for restoration and rehabilitation associated with environmental damage represents the best estimate of the future costs of remediation, which are recognised at their nominal value when the time schedule for the disbursement is not clear, or when the economic effect for the passage of time is not significant; otherwise, such provisions are recognised at their discounted values.

These obligations include the costs of the future cleaning, reforestation and/or development of the affected areas and include the future costs of abandoning the site so that quarries are left in acceptable condition at the end of their operation.

The ultimate restoration and rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for any rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

The provision for future restoration and rehabilitation is based on a plan presented to and approved by the Commissioner of Mines and Geology. These costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date. The provision as at reporting date represents management's best estimate of the present value of the future restoration and rehabilitation costs required (note 17).

The expected completion time of rehabilitation is based on the planned activity for each of the quarries, which ranges between two to eight years.

(iv) Post-employment benefits

The amounts recognised in the statement of financial position, the income statement and the statement of other comprehensive income for post-employment benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include the discount rate used to determine the present value of estimated future cash flows required to settle the post-retirement obligations and the expected rate of increase in medical costs for post-employment medical benefits.

The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the obligation; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenor security on the market. The estimate of the expected rate of increase in medical costs is determined based on inflationary factors. Any changes in the foregoing assumptions will affect the amounts recorded in the financial statements for these obligations.

2.4) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the dates of their execution. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the statement of financial position date and the resulting foreign exchange fluctuations are recognised in the income statement.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.4) FOREIGN CURRENCY TRANSACTIONS - CONTINUED

The most significant closing exchange rates and the approximate average exchange rates for the statement of financial position and the income statement respectively as of December 31, 2024 are as follows:

	2024		2023	
	Closing	Average	Closing	Average
United States Dollar	156.4159	155.1527	154.9504	154.6034
Euro	163.1748	170.0502	173.1411	170.8081

2.5) CASH AND CASH EQUIVALENTS (note 7)

The balance in this caption comprises available amounts of cash at bank, cash on hand and short-term deposit held with a related party. This short-term deposit is considered a highly liquid investment, comparable to cash, and can be withdrawn at any time with minimal notice.

2.6) FINANCIAL INSTRUMENTS

Classification and measurement of financial instruments

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

Amortised cost represents the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. This classification of financial assets and liabilities comprises the following captions:

- Cash and cash equivalents (notes 2.5 and 7).
- Trade accounts receivable net; other accounts receivable; other current assets; accounts receivable from related parties and accounts receivable from subsidiary (notes 8, 9, 11 and 22). Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.
- Liabilities for trade payables, other current liabilities and accounts payable to related parties (notes 15, 16 and 22) are recorded initially at amounts representing the fair value of the consideration to be paid for goods and services received by the reporting date, whether or not billed.

Derivative financial instruments are recognised as assets or liabilities in the statement of financial position at their estimated fair value with changes in fair value recognised in the income statement, except in a cash flow hedging arrangement where the fair value adjustments for the effective portion of the hedge are recognised in other comprehensive income until such time as the hedged cash flows occur. When the hedged cash flows occur, the fair value adjustments are reclassified to income statement.

Impairment of financial assets

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

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.6) FINANCIAL INSTRUMENTS - CONTINUED

Fair value measurements (note 14.2)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument which is substantially the same, discounted cash flow analysis or other valuation models.

Management assessed that the carrying amounts of cash and cash equivalents, trade receivables, trade payables, due from related companies and due to parent and related companies approximate their fair values largely due to the short-term maturities of these instruments.

As disclosed in note 14.3 the diesel fuel hedge was carried at fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 - Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 - Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.7) INVENTORIES (note 10)

Inventories are valued using the lower of cost or net realisable value, where cost is based on the weighted average principle. The cost of inventories includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The Group analyses its inventory balances to determine if, as a result of internal events, such as physical damage, or external events, such as technological changes or market conditions, certain portions of such balances have become obsolete or impaired. When an impairment situation arises, the inventory balance is adjusted to its net realisable value, whereas, if an obsolescence situation occurs, the allowance for inventory obsolescence is increased. In both cases, these adjustments are recognised against the results of the period. Advances to suppliers of inventory are presented as part of "Other current assets".

2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13)

Property, machinery and equipment are recognised at their acquisition or construction cost, as applicable, less accumulated depreciation and accumulated impairment losses. Depreciation of fixed assets is recognised as part of cost of sales and operating expenses and is calculated using the straight-line method over the estimated useful lives of the assets.

As of December 31, 2024, the average useful lives by category of fixed assets are as follows:

	<u>Years</u>
Land improvements	30
Buildings	20 – 40
Machinery and equipment	3 – 50
Right-of-use assets (lease term)	<u>2 – 20</u>

Costs incurred in respect of operating fixed assets that result in future economic benefits, such as an extension in their useful lives, an increase in their production capacity or in safety, as well as those costs incurred to mitigate or prevent environmental damage, are capitalised as part of the carrying amount of the related assets. The capitalised costs are depreciated over the remaining useful lives of such fixed assets. Periodic maintenance on fixed assets is expensed as incurred. Advances to suppliers of fixed assets are presented as part of other current assets.

Where parts of an item of property, machinery and equipment have different useful lives, they are accounted for as separate items of property, machinery and equipment.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13) - CONTINUED

The useful lives and residual values of property, machinery and equipment are reviewed at each reporting date and adjusted if appropriate.

Land, capital work in progress and critical spares are not depreciated.

2.9) IMPAIRMENT OF LONG-LIVED ASSETS (note 13)

Property, machinery and equipment of definite life

These assets are tested for impairment annually, or upon the occurrence of a significant adverse event, changes in the Group's operating business model or in technology that affect the assets, or expectations of lower operating results, to determine whether their carrying amounts may not be recovered.

An impairment loss is recorded in the income statement for the period within "Other expenses," for the excess of the asset's carrying amount over its recoverable amount, corresponding to the higher of the fair value less costs to sell the asset, as determined by an external appraiser, and the asset's value in use, the latter represented by the net present value (NPV) of estimated cash flows related to the use and eventual disposal of the asset. The main assumptions utilised to develop estimates of NPV are a discount rate that reflects the risk of the cash flows associated with the assets and the estimations of generation of future income.

When impairment indicators exist, for each intangible asset, the Group determines its projected revenue streams over the estimated useful life of the asset. To obtain discounted cash flows attributable to each intangible asset, such revenue is adjusted for operating expenses, changes in working capital and other expenditures, as applicable, and discounted to its NPV using the risk-adjusted discount rate of return. The most significant economic assumptions are: a) the useful life of the asset; b) the risk adjusted discount rate of return; and c) growth rates. Assumptions used for these cash flows are consistent with internal forecasts and industry practices.

The fair values of these assets are significantly sensitive to changes in such relevant assumptions. Certain key assumptions are more subjective than others. The Group validates its assumptions through benchmarking with industry practices and the corroboration of third-party valuation advisors.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss may be reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation if no impairment loss had been recognised.

2.10) PROVISIONS

The Group recognises provisions when it has a legal or constructive obligation resulting from past events, whose resolution would imply cash outflows, or the delivery of other resources owned by the Group. As of December 31, 2024 some significant proceedings that gave rise to a portion of the carrying amount of the Group's current provisions and contingent liabilities are detailed in note 24.

Considering guidance under IFRS Accounting Standards, the Group does not recognise provisions for levies imposed by governments until the obligating event or the activity that triggers the payment of the levy has occurred, as defined in the legislation.

(i) Restructuring

The Group recognises provisions for restructuring when the restructuring detailed plans have been properly finalised and authorised by management and have been communicated to the stakeholders involved and/or affected by the restructuring prior to the consolidated statement of financial position's date. These provisions may include costs not associated with the Group's ongoing activities.

(ii) Costs related to remediation of the environment (note 17)

Provisions associated with environmental damage represent the estimated future cost of remediation, which are recognised at their nominal value when the time schedule for the disbursement is not clear, or when the economic effect for the passage of time is not significant; otherwise, such provisions are recognised at their discounted values using the weighted average cost of capital. Reimbursements from insurance companies are recognised as assets only when their recovery is practically certain. In that case, such reimbursement assets are not offset against the provision for remediation costs.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.10) PROVISIONS - CONTINUED

(iii) Provisions for contingencies and commitments (notes 23 and 24)

Obligations or losses related to contingencies are recognised as liabilities in the consolidated statement of financial position only when present obligations exist resulting from past events that are expected to result in an outflow of resources and the amount can be measured reliably. Otherwise, a qualitative disclosure is included in the notes to the consolidated financial statements. The effects of long-term commitments established with third parties, such as supply contracts with suppliers or customers, are recognised in the consolidated financial statements on an incurred or accrued basis, after taking into consideration the substance of the agreements. Relevant commitments are disclosed in the notes to the consolidated financial statements. The Group does not recognise contingent revenues, income or assets, unless their realisation is virtually certain.

2.11) EMPLOYMENT BENEFITS (note 18)

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees [notes 4(iii) and 18]. These include current or short-term benefits such as salaries, bonuses, National Insurance Scheme (NIS) contributions, vacation leave; pension, non-monetary benefits such as, post-retirement benefits such as medical care; and other long-term employee benefits such as termination benefits. Employee benefits other than pensions that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and charged as an expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave. Post-retirement benefits are accounted for as described in note (ii) below.

(i) Defined contribution pension plans

The costs of the defined contribution pension plan are recognised in the income statement as they are incurred. Liabilities arising from such plans are settled through cash transfers to the employees' retirement accounts, without generating future obligations

(ii) Defined benefit pension plans and other post-employment benefits

Employee benefits, comprising post-retirement obligations included in the financial statements, have been actuarially determined by a qualified independent actuary, appointed by management using the projected unit credit method. The actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuation is conducted in accordance with IAS 19, and the financial statements reflect the Group's post-retirement benefit obligation as computed by the actuary.

The Group's obligation in respect of its post-retirement medical plan is calculated by estimating the number of future benefits that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value. The discount rate is determined by reference to the yield at the reporting date on long-term government instruments of terms approximating those of the Group's obligation.

Remeasurements of the defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. The Group determines the interest expense on the defined benefit liability for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the year to the net-defined benefit liability, considering any changes in the defined benefit liability during the year as a result of the contributions and benefit payments. The interest expense and other expenses related to the defined benefit plan are recognised in the income statement.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in the defined benefit obligation or asset that relates to past service or the gain or loss on curtailment is recognised immediately in the income statement. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Termination benefits

Termination benefits, not associated with a restructuring event, which mainly represent severance payments by law, are recognised in the income statement for the period in which they are incurred.

2.12) TAXATION (note 19)

The amounts reflected in the income statement for taxes include the amounts incurred during the period and for deferred taxes, determined according to the tax law applicable at the reporting date. Deferred taxes represent amounts determined by applying the tax rate to the total temporary differences resulting from comparing the book and taxable values of assets and liabilities, considering tax assets such as loss carry forwards and other recoverable taxes, to the extent that it is probable that future taxable profits will be available against which they can be utilised. The measurement of deferred taxes as at the reporting period reflects the tax consequences that follow the way in which the Group expects to recover or settle the carrying amount of its assets and liabilities.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.12) TAXATION (note 19) - CONTINUED

Deferred taxes for the period represent the difference between balances of deferred taxes at the beginning and the end of the period. According to IFRS Accounting Standards, all items charged or credited directly in shareholders' equity or as part of other comprehensive income for the period are recognised net of their deferred tax effects. The effect of a change in enacted statutory tax rates is recognised in the period in which the change is officially enacted.

Deferred tax assets are reviewed at each reporting date and are reduced when it is not deemed probable that the related tax benefit will be realised, considering the aggregate amount of self-determined tax loss carry forwards that the Group believes will not be rejected by the tax authorities based on available evidence and the likelihood of recovering them through an analysis of estimated future taxable income. When it is considered that a deferred tax asset will not be recovered, the Group would not recognise such a deferred tax asset. Both situations would result in an additional tax expense for the period in which such a determination is made. In order to determine whether it is probable that deferred tax assets will ultimately be recovered, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, current tax structure, potential changes or adjustments in tax structure, tax planning strategies, future reversals of existing temporary differences. Likewise, the Group analyses its actual results versus estimates, and adjusts, as necessary, its tax asset valuations. If actual results vary from the Group's estimates, the deferred tax asset and or valuations may be affected, and necessary adjustments will be made based on relevant information in the Group's income statement for such period.

The tax effects from an uncertain tax position are recognised when it is probable that the position will be sustained based on its technical merits and assuming that the tax authorities will examine each position and have full knowledge of all relevant information, and they are measured using a cumulative probability model. Each position has been considered on its own, regardless of its relation to any other broader tax settlement.

The high probability threshold represents a positive assertion by management that the Group is entitled to the economic benefits of a tax position. If a tax position is considered not probable of being sustained, no benefits of the position are recognised.

The effective tax rate is determined by dividing the line item "Taxation" by the line item "Earnings before taxation". This effective tax rate is further reconciled to the Group's statutory tax rate applicable in Jamaica. For the year ended December 31, 2024, the statutory tax rate was 25%.

2.13) LEASES (note 14.1)

At inception of a contract, the Group assesses whether the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether the contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- The Group has the right to obtain substantially all the of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using an interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liabilities comprise solely fixed payments. The lease liabilities are measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.13) LEASES (note 14.1) - CONTINUED

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets with a value of US\$5,000 or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group does not recognise the rental of the land for the quarries as those are not within the scope of IFRS 16. The expenses are recognised in the income statement on the accrual basis.

2.14) SHARE CAPITAL AND RESERVES (note 20)

Share capital (note 20.1)

These items represent the value of shareholders' contributions. The most significant items within "Share capital" during the reported period are as follows:

- (i) Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets.
- (ii) Capital contribution is other non-equity contribution made by the shareholders' of the Company to which there is no obligation for the Company to transfer cash or other assets back to the Shareholders' in relation to this amount.

Items of "Capital contribution" included within shareholders' equity:

- The forgiveness of a debt due to the Parent Company, this was part of the restructuring programme designed in 2013 to strengthen the equity position of the Company. The value of the debt forgiven was credited to Shareholders' equity as capital contribution.
- Share-based compensation representing the fair value of the Ultimate Parent Company's shares granted to employees with management positions in the Company. The underlying values of the shares are determined by the quoted market price at the grant date. This compensation is paid directly by the Ultimate Parent Company and is recognised as additional investment in the company.

Other equity reserves (note 20.2)

Other equity reserves comprise the cumulative effects of items and transactions that are, temporarily or permanently, recognised directly to shareholders' equity, and includes the comprehensive income, which reflects certain changes in shareholders' equity that do not result from investments by owners and distributions to owners.

Items of "Other equity reserves" included within other comprehensive income:

- The preference shares redeemed that was transferred to "Capital Redemption Fund Reserve" pursuant to section 64(d) of the Jamaican Companies Act; and
- The effective portion of the valuation and liquidation effects from derivative instruments under cash flow hedging relationships, which are recorded temporarily in shareholders' equity.
- Realised capital reserves represents the gains from the sale of machinery and equipment.

Accumulated net income ((note 20.2)

Accumulated net income represents the cumulative net results of prior years, net of a) dividends paid; b) changes in the remeasurement of employee benefits obligation, net of tax (note 18), c) current year net income and d) cumulative effects from adoption of new IFRS Accounting Standards.

2.15) BASIC AND DILUTED EARNINGS PER SHARE (note 21)

The earnings per share is computed by dividing consolidated net income attributable to ordinary shareholders by the weighted-average number of ordinary shares in issue during the year.

2.16) DIVIDENDS (note 20.2(d))

Dividends declared and payable to the Company's shareholders are recognised as a liability in the Group and Company statement of financial position in the period in which the dividends are declared by the Company's Board of Directors.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.17) PERFORMANCE OBLIGATION AND REVENUE RECOGNITION (note 3)

Revenue is measured at the amount to which the entity expects to become entitled in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

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

Type of product or service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
Its principal activity is the manufacture and sale of cement.	Customers obtain control of goods when the goods are delivered to and accepted by them. Invoices are generated at that point in time. Invoices are usually payable within 45 days.	Revenue is recognised at a point in time in the amount of the price, before tax on sales, expected to be received by the company for goods supplied as a result of their ordinary activities, as contractual performance obligations are fulfilled, and control of goods and services passes to the customer. Revenues are decreased by any trade discounts or rebates granted to customers.
Other goods and services, includes the sale of other items such as clinker and the rental for usage of the port facilities.	Invoices are issued according to contract terms and are payable within 30 days.	Revenue is recognised at a point in time when the service is provided, and goods are delivered to the customers.

2.18) COST OF SALES AND OPERATING EXPENSES (note 4)

Cost of sales represents the production cost of inventories at the moment of sale. Such costs include depreciation, amortisation and depletion of assets involved in production, expenses related to storage in production plants and freight expenses of raw material in plants and delivery expenses.

Operating expenses

Administrative expenses represent the expenses associated with personnel, services and equipment, including depreciation and amortisation, related to managerial activities for the Company's management.

Selling expenses represent the expenses associated with personnel, services and equipment, including depreciation and amortisation, involved specifically in sales activities.

Distribution and logistics expenses refer to expenses of storage at points of sale, including depreciation and amortisation, as well as freight expenses of finished products between plants and points of sale and freight expenses between points of sale and the customers' facilities.

2.19) OPERATING EARNINGS

Operating earnings is the result generated from the continuing principal revenue-producing activities of the Group as well as other income and expenses related to operating income. Operating earnings excludes finance income and expenses, gain or loss on foreign exchange and taxation.

2.20) OTHER INCOME AND OTHER EXPENSES (note 5)

Other income represents gain on disposal of property, plant and equipment and insurance claim recovery. Other expenses comprise manpower, stockholding and inventory restructuring costs, demolition expense, royalty and service fees, management fees and inventory write-off.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

2) BASIS OF PRESENTATION, MATERIAL ACCOUNTING POLICIES AND ESTIMATES - CONTINUED

2.21) FINANCIAL INCOME AND EXPENSES (note 6)

Finance income comprises interest income on bank balances and deposits. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprises interest expense, unwinding of discounts on lease liabilities and rehabilitation provision and net interest on the employee benefit obligation. Interest is recognised as it accrues, using the effective interest method.

2.22) SEGMENT REPORTING

An operating segment is a component of an entity:

- (1) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- (2) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- (3) for which discrete financial information is available.

The Group maintains an integrated operating structure and its operations are reviewed by management and directors as a whole and not in segments. The operations of the subsidiary are not material for segment disclosure. Consequently, no segment disclosures are included in the financial statement.

2.23) RELATED PARTIES (note 22)

All significant balances and transactions between the Company and its Subsidiary have been eliminated in the preparation of the group financial statements. These balances with related parties resulted primarily from: (i) recharging of expenses; (ii) contribution through subvention; (iii) the invoicing of administrative services, and other services rendered; and (iv) loans between related parties. When market prices and/or market conditions are not readily available.

2.24) NEWLY ISSUED IFRS ACCOUNTING STANDARDS NOT YET EFFECTIVE

Listed below are new and amended standards and interpretations that are not yet effective and have not yet been early adopted.

Standard	Main topic	Effective date
<i>IFRS 18</i> - Presentation and Disclosure in Financial Statements	<i>IFRS 18</i> will replace <i>IAS 1</i> Presentation of Financial Statements. The objective of <i>IFRS 18</i> is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	January 1, 2027

The following new and amended standards and interpretations are not expected to have a significant impact on these financial statements:

- Amendments to IAS 21, *Lack of Exchangeability*
- Amendments to IFRS 9 and IFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to IFRS 19, *Subsidiaries without Public Accountability: Disclosures*

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

3) REVENUE

The Group and Company revenues are mainly composed of the sale of cement, clinker and other goods and services. The Group grants credit for terms ranging from 0 to 45 days depending on the type and risk of each customer. For the year ended December 31, 2024, revenue is as follows:

	The Group and the Company	
	2024	2023
From the sale of goods associated with the main activities	\$ 27,785,429	27,476,269
From the sale of services	41,234	40,524
From the sale of other goods and services	82,217	203,136
\$	27,908,880	27,719,929

Revenue from the top (5) five customers amounted to \$10.569 billion (2023: \$10.628 billion) arising from cement sales.

The revenue from external customers is analysed by geographical location below:

	The Group and the Company	
	2024	2023
Local	\$ 27,738,341	27,598,059
Caribbean countries	169,222	121,870
Central and North American countries	1,317	—
\$	27,908,880	27,719,929

4) OPERATING EARNINGS BEFORE OTHER INCOME AND OTHER EXPENSES

(i) Operating earnings before other income and other expenses, by nature are as follows:

	The Group		The Company	
	2024	2023	2024	2023
Revenue	\$ 27,908,880	27,719,929	27,908,880	27,719,929
Expenses:				
Raw material and consumables	3,175,482	2,902,314	3,175,482	2,902,314
Fuel and electricity	4,580,429	4,976,959	4,578,863	4,975,476
Personnel remuneration and benefits (iii)	3,083,710	2,868,949	3,069,179	2,855,071
Repairs and maintenance	2,136,075	1,860,444	2,136,075	1,860,444
Equipment hire	1,559,110	1,620,021	1,559,110	1,620,021
Cement transportation, marketing and selling expenses	902,170	890,983	902,170	890,983
Auditors remuneration:				
Current year audit fees	36,008	26,369	34,506	24,978
Previous year audit fees	—	6,984	—	6,984
Taxation services	1,720	1,564	1,544	1,404
Other operating expenses	1,498,118	1,338,004	1,487,457	1,332,316
Depreciation (iv) and note 13	1,734,159	1,509,191	1,734,003	1,509,036
Changes in inventories of finished goods and work in progress	646,286	1,271,915	646,286	1,271,915
Total expenses (ii)	19,353,267	19,273,697	19,324,675	19,250,942
Operating earnings before other income and other expenses	\$ 8,555,613	8,446,232	8,584,205	8,468,987

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

4) OPERATING EARNINGS BEFORE OTHER INCOME AND OTHER EXPENSES - CONTINUED

(ii) The total expenses included in the income statement are as follows:

	The Group		The Company	
	2024	2023	2024	2023
Cost of sales	\$ 16,330,810	16,418,152	16,330,810	16,418,152
Operating expenses	3,022,457	2,855,545	2,993,865	2,832,790
	\$ 19,353,267	19,273,697	19,324,675	19,250,942

(iii) Personnel remuneration and benefits for 2024 are detailed as follows:

	The Group		The Company	
	2024	2023	2024	2023
Wages and salaries	\$ 2,340,609	2,099,690	2,328,515	2,088,223
Statutory contributions	219,780	223,167	218,211	221,530
Pension costs (note 18)	76,488	62,727	76,488	62,727
Other personnel costs	446,833	483,365	445,965	482,591
	\$ 3,083,710	2,868,949	3,069,179	2,855,071

(iv) Depreciation recognised in 2024 are detailed as follows:

	The Group		The Company	
	2024	2023	2024	2023
Included in cost of sales	\$ 1,669,510	1,455,633	1,669,510	1,455,633
Included in administrative, selling, distribution and logistics expenses	64,649	53,558	64,493	53,403
	\$ 1,734,159	1,509,191	1,734,003	1,509,036

5) OTHER INCOME AND OTHER EXPENSES

The details of the line item "Other income" in 2024 were as follows:

	The Group		The Company	
	2024	2023	2024	2023
Other income:				
Insurance claim recovery	\$ 199,359	2,182	199,359	2,182
Others *	238,999	16,458	238,999	16,458
	\$ 438,358	18,640	438,358	18,640

* Others includes amounts for trade payables of \$205.679 million written-back to other income during the year.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

5) OTHER INCOME AND OTHER EXPENSES - CONTINUED

The details of the line item "Other expenses" in 2024 were as follows:

	The Group		The Company	
	2024	2023	2024	2023
Other expenses:				
Manpower restructuring costs	\$ 15,925	41,796	15,925	41,796
Reversal of stockholding and inventory restructuring provision	(15,187)	(13,276)	(15,187)	(13,276)
Demolition expenses	—	3,643	—	3,643
Inventory write-off	493,722	254,987	493,722	254,987
Receivables write-off	—	18,738	—	18,738
Management fees	204,105	204,143	218,570	217,388
Royalty and service fees	492,762	501,155	492,762	501,155
Property, machinery and equipment write-off	25,024	—	25,024	—
Settlement for legal claim	69,304	—	69,304	—
Impairment loss on investment in subsidiary	—	—	46,666	—
Unrecoverable due to natural disasters	6,511	—	6,511	—
Others, net	54,239	29,055	53,652	25,916
	1,346,405	1,040,241	1,406,949	1,050,347
\$	908,047	1,021,601	968,591	1,031,707

6) FINANCIAL EXPENSES

The details of financial expense in 2024 was as follows:

	The Group and the Company	
	2024	2023
Interest expense	\$ —	6,359
Bank charges and fees	10,862	33,334
Unwinding of discount on lease liabilities (note 14.1)	14,929	13,047
Unwinding of discount on rehabilitation provision (note 17)	11,651	22,142
Interest on pension and other post-retirement obligations (note 18)	89,202	118,238
\$	126,644	193,120

7) CASH AND CASH EQUIVALENTS

As of December 31, 2024, cash and cash equivalents consisted of:

	The Group		The Company	
	2024	2023	2024	2023
Cash at bank and cash on hand	\$ 8,489,875	4,021,335	8,489,814	4,021,330

This amount includes a deposit of \$8.1 billion (US\$52.1 million) [2023: \$3.5 billion (US\$23 million)] for the Group and the Company with CEMEX Innovation Holding Limited, a related party, which generates interest at a rate equal to the Western Asset Institutional Liquid Reserves Fund rate minus 30 basis points on a daily basis of a year of 360 days. This is a highly liquid investment equivalent to cash which can be withdrawn at any time with minimal notice.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

8) TRADE ACCOUNTS RECEIVABLE

As of December 31, 2024, trade accounts receivable, net consisted of:

	The Group and the Company	
	2024	2023
Trade accounts receivable	\$ 336,862	340,944

No allowances for expected credit loss was recognised in the current year.

Changes in the ECL allowance in 2024, are as follows:

	The Group and the Company	
	2024	2023
Allowances for ECL at beginning of the year	—	32
Recovered in the income statement	—	(32)
Allowances for ECL at end of the year	—	—

9) OTHER ACCOUNTS RECEIVABLE

As of December 31, 2024, other accounts receivable consisted of:

	The Group		The Company	
	2024	2023	2024	2023
Non-trade accounts receivable *	\$ 234,036	267,944	234,036	267,945
Loans to employees	27,713	27,565	27,713	27,565
Refundable taxes	34,742	39,648	34,455	39,361
	\$ 296,491	335,157	296,204	334,871

* Non-trade accounts receivable includes insurance claim receivable and prepaid expenses.

Other accounts receivable are deemed to have low credit risk. The expected credit loss on these are therefore considered immaterial.

10) INVENTORIES

As of December 31, 2024, the balance of inventories was summarised as follows:

	The Group and the Company	
	2024	2023
Finished goods	\$ 305,634	371,472
Work-in-process	787,144	432,928
Raw materials	207,222	392,933
Materials and spare parts	2,091,667	3,013,205
Inventory in transit	421,004	640,755
	\$ 3,812,671	4,851,293

Inventories of \$16.306 billion (2023: \$16.313 billion) were recognised as an expense during the year and are included in "Cost of sales" and inventories of \$248.396 million (2023: \$nil) were transferred to "Property, machinery and equipment" as critical spares (see note 13).

As of December 31, 2024, the Group and the Company recognised inventory provisions for obsolescence of \$93.964 million and \$104.989 million respectively.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

10) INVENTORIES - CONTINUED

The changes in the inventory provisions for obsolescence for the year ended December 31, 2024, are as follows:

	The Group and the Company	
	2024	2023
Inventory obsolescence provision at beginning of the year	\$ 104,989	135,663
Reversal of stockholding and inventory restructuring provision	(15,187)	(13,276)
Increase in provision during the year	—	237,589
Write-back (write-offs) of provisions during the year	4,162	(254,987)
Inventory obsolescence provision at end of the year	\$ 93,964	104,989

For the year ended December 31, 2024, the Group and the Company included the changes in inventory provision for obsolescence as raw materials and consumables costs within "Cost of sales" (see note 4(i)) and the reversal of stockholding and inventory restructuring provision in "Other expenses" (see note 5).

During the year there was inventory write-offs amounting to \$493.722 million (2023: \$254.987 million) which was recorded in "Other expenses" (see 5). No provision was made for the amount written-off during the year (2023: \$237.589 million).

11) OTHER CURRENT ASSETS

As of December 31, 2024, the balances of other current assets are summarised as follows:

	The Group		The Company	
	2024	2023	2024	2023
Advances to suppliers	\$ 211,034	160,387	211,032	160,385

Other current assets are deemed to have low credit risk. The expected credit losses on these are therefore considered immaterial.

12) INVESTMENT IN SUBSIDIARY

As of December 31, 2024, the balance of investment in subsidiary as follows:

	The Company	
	2024	2023
Rockfort Mineral Bath Complex Limited:		
At cost	\$ 49,604	2,938
Impairment loss provision	(49,604)	(2,938)
	\$ —	—

The changes in the impairment loss provision on investment in subsidiary for the year ended December 31, 2024, are as follows:

	The Company	
	2024	2023
Opening balance of provision on investment in subsidiary	\$ 2,938	2,938
Impairment losses during the year (note 5)	46,666	—
Closing balance of provision on subsidiary investment	\$ 49,604	2,938

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

13) PROPERTY, MACHINERY AND EQUIPMENT, NET

As of December 31, 2024, property, machinery and equipment, net include the following:

	The Group		The Company	
	2024	2023	2024	2023
Land and land improvements	\$ 207,029	166,962	207,056	166,989
Buildings	1,859,326	1,878,422	1,847,620	1,866,716
Machinery and equipment	33,111,247	30,995,935	33,106,639	30,991,327
Capital work in progress	7,900,530	4,451,937	7,900,538	4,451,945
Accumulated depreciation	(15,406,989)	(14,100,592)	(15,391,769)	(14,085,528)
	\$ 27,671,143	23,392,664	27,670,084	23,391,449

As of December 31, 2024, property, machinery and equipment, net and the changes in such line item during 2024 were as follows:

The Group	2024				
	Land and land improvements	Buildings	Machinery and equipment	Capital work in progress	Total
Cost at beginning of the year	\$ 166,962	1,878,422	30,995,935	4,451,937	37,493,256
Accumulated depreciation	(121,002)	(985,162)	(12,994,428)	—	(14,100,592)
Net book value at beginning of the year	45,960	893,260	18,001,507	4,451,937	23,392,664
Capital expenditures	—	—	295,515	5,493,751	5,789,266
Transferred from inventory	—	—	248,396	—	248,396
Disposals	—	(27,663)	(425,123)	—	(452,786)
Transfers	40,067	8,567	1,996,524	(2,045,158)	—
Movement in cost during the year	40,067	(19,096)	2,115,312	3,448,593	5,584,876
Depreciation on disposals	—	(25,261)	(402,501)	—	(427,762)
Depreciation for the year	47,798	31,412	1,654,949	—	1,734,159
Cost at end of the year	207,029	1,859,326	33,111,247	7,900,530	43,078,132
Accumulated depreciation	(168,800)	(991,313)	(14,246,876)	—	(15,406,989)
Net book value at end of year	\$ 38,229	868,013	18,864,371	7,900,530	27,671,143

13) PROPERTY, MACHINERY AND EQUIPMENT, NET - CONTINUED

As of December 31, 2024, property, machinery and equipment, net and the changes in such line item during 2024 were as follows:

	2024				
	Land and land improvements	Buildings	Machinery and equipment	Capital work in progress	Total
Cost at beginning of the year	166,989	1,866,716	30,991,327	4,451,945	37,476,977
Accumulated depreciation	(48,293)	(1,059,331)	(12,977,904)	—	(14,085,528)
Net book value at beginning of the year	118,696	807,385	18,013,423	4,451,945	23,391,449
Capital expenditure	—	—	295,515	5,493,751	5,789,266
Transferred from inventory	—	—	248,396	—	248,396
Disposals	—	(27,663)	(425,123)	—	(452,786)
Transfers	40,067	8,567	1,996,524	(2,045,158)	—
Movement in cost during the year	40,067	(19,096)	2,115,312	3,448,593	5,584,876
Depreciation on disposals	—	(25,261)	(402,501)	—	(427,762)
Depreciation for the year	47,798	31,412	1,654,793	—	1,734,003
Cost at end of the year	207,056	1,847,620	33,106,639	7,900,538	43,061,853
Accumulated depreciation	(96,091)	(1,065,482)	(14,230,196)	—	(15,391,769)
Net book value at end of year	110,965	782,138	18,876,443	7,900,538	27,670,084

During the year capital spares of \$248,396 million were transferred from inventories (see note 10) to machinery and equipment since they meet the definition of "Property, machinery and equipment" under IAS 16, *Property, Plant and Equipment*. This is a non-cash transaction and has been excluded from the statement of cash flows.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

13) PROPERTY, MACHINERY AND EQUIPMENT, NET - CONTINUED

As of December 31, 2023, property, machinery and equipment, net and the changes in such line item during 2023 were as follows:

The Group	2023				
	Land and land improvements	Buildings	Machinery and equipment	Capital work in progress	Total
Cost at beginning of the year	\$ 257,467	1,853,387	29,852,304	3,726,303	35,689,461
Accumulated depreciation	(187,660)	(836,757)	(11,626,625)	—	(12,651,042)
Net book value at beginning of the year	69,807	1,016,630	18,225,679	3,726,303	23,038,419
Capital expenditures	—	42,388	72,751	1,738,569	1,853,708
Fixed asset in transit	—	—	—	9,728	9,728
Disposals	—	—	(59,641)	—	(59,641)
Transfers	(90,505)	140,515	1,130,521	(1,180,531)	—
Adjustment to cost	—	(157,868)	—	157,868	—
Movement in cost during the year	(90,505)	25,035	1,143,631	725,634	1,803,795
Reclassification	73,344	(73,425)	81	—	—
Depreciation for the year	6,686	74,980	1,427,525	—	1,509,191
Cost at end of the year	166,962	1,878,422	30,995,935	4,451,937	37,493,256
Accumulated depreciation	(121,002)	(985,162)	(12,994,428)	—	(14,100,592)
Net book value at end of year	\$ 45,960	893,260	18,001,507	4,451,937	23,392,664

The Company	2023				
	Land and land improvements	Buildings	Machinery and equipment	Capital work in progress	Total
Cost at beginning of the year	\$ 257,494	1,841,681	29,847,696	3,726,311	35,673,182
Accumulated depreciation	(114,951)	(911,081)	(11,610,101)	—	(12,636,133)
Net book value at beginning of the year	142,543	930,600	18,237,595	3,726,311	23,037,049
Capital expenditures	—	42,388	72,751	1,738,569	1,853,708
Fixed asset in transit	—	—	—	9,728	9,728
Lease disposals	—	—	(59,641)	—	(59,641)
Transfers	(90,505)	140,515	1,130,521	(1,180,531)	—
Adjustment to cost	—	(157,868)	—	157,868	—
Movement in cost during the year	(90,505)	25,035	1,143,631	725,634	1,803,795
Reclassification	73,344	(73,425)	81	—	—
Depreciation for the year	6,686	74,825	1,427,525	—	1,509,036
Cost at end of the year	166,989	1,866,716	30,991,327	4,451,945	37,476,977
Accumulated depreciation	(48,293)	(1,059,331)	(12,977,904)	—	(14,085,528)
Net book value at end of year	\$ 118,696	807,385	18,013,423	4,451,945	23,391,449

Right of use assets recorded in property, machinery and equipment are disclosed in note 13.1 and the related lease liabilities are disclosed in note 14.1.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

13.1) RIGHT-OF-USE ASSETS

The Group leases real estate (warehouse facilities) and machinery and equipment (mobile equipment and motor vehicles). Real estate leases have a term of 2 to 20 years and machinery equipment leases have a term of 3 to 5 years. Some leases provide for periodic renegotiation of payments to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group and the Company	2024			2023		
	Buildings	Machinery and equipment	Total	Buildings	Machinery and equipment	Total
Cost at beginning of the year	\$ 184,537	168,573	353,110	142,149	155,463	297,612
Accumulated depreciation	(109,025)	(78,168)	(187,193)	(81,488)	(92,538)	(174,026)
Net book value at beginning of the year	75,512	90,405	165,917	60,661	62,925	123,586
Additions through capital leases (note 14.1)	—	25,178	25,178	42,388	72,751	115,139
Retirement of capital lease	—	(16,176)	(16,176)	—	(59,641)	(59,641)
Movement in cost during the year	—	9,002	9,002	42,388	13,110	55,498
Depreciation for the year	21,929	41,544	63,473	27,537	45,271	72,808
Disposal on retired capital leases	—	(10,653)	(10,653)	—	(59,641)	(59,641)
Cost at end of the year	184,537	177,575	362,112	184,537	168,573	353,110
Accumulated depreciation	(130,954)	(109,059)	(240,013)	(109,025)	(78,168)	(187,193)
Net book value at end of year	\$ 53,583	68,516	122,099	75,512	90,405	165,917

The following amounts were included in the income statement:

	The Group and the Company	
	2024	2023
Lease expenses for short-term leases	\$ 72,510	135,920

14) FINANCIAL INSTRUMENTS

(14.1) LEASE LIABILITIES

As of December 31, 2024, lease liabilities in the statement of the Group and the Company financial position are as follows:

	2024			2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Lease liabilities	\$ 45,638	87,810	133,448	58,479	120,912	179,391

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

14) FINANCIAL INSTRUMENTS - CONTINUED

14.1) LEASE LIABILITIES - CONTINUED

The right-of-use assets under lease contracts are detailed in note 13.1. Changes in lease liabilities for the year ended December 31, 2024 arising from cash flows and other changes were as follows:

		The Group and the Company	
		2024	2023
Balance at beginning of the year	\$	179,391	135,830
Lease liabilities arising from new leases during the year (note 13.1)		25,178	115,139
Unwinding of the discount on lease liabilities (note 6)		14,929	13,047
Payment of lease liabilities		(80,759)	(84,625)
Adjustment during the year		(5,291)	—
Balance at end of the year	\$	133,448	179,391

As of December 31, 2024, the maturities of financial lease liabilities were as follows:

		The Group and the Company			
		Present value		Future minimum lease payments	
		2024	2023	2024	2023
No later than 1 year	\$	6,360	52,831	6,360	66,528
Later than 1 year and not later than 5 years		92,503	87,910	92,503	101,526
Later than 5 years		34,585	38,650	34,999	17,400
	\$	133,448	179,391	133,862	185,454

The Group does not face a significant liquidity risk as regards its lease liabilities. Lease liabilities are monitored within the Group's Treasury function.

14.2) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and liabilities

The carrying amounts of cash and cash equivalents, trade receivable, other accounts receivable, accounts receivable from related parties, accounts receivable from subsidiary, other current assets, trade payables, other financial obligations, accounts payable to related parties and other current liabilities, approximate their corresponding estimated fair values due to the short-term maturity and revolving nature of these financial assets and liabilities.

The fair value hierarchy level determined by the Group for its derivative financial instruments are level 2. There is no direct measure for the risk of the Group or its counterparties in connection with the derivative instruments. Therefore, the risk factors applied for the Group's liabilities originated by the valuation of such derivatives were extrapolated from publicly available risk discounts for other public debt instruments of the Group and its counterparties.

The estimated fair value of derivative instruments fluctuates over time and is determined by measuring the effect of future relevant economic variables according to the yield curves shown in the market as of the reporting date. These values should be analysed in relation to the fair values of the underlying transactions and as part of the Group's overall exposure attributable to fluctuations in interest rates and foreign exchange rates. The notional amounts of derivative instruments do not represent amounts of cash exchanged by the parties, and consequently, there is no direct measure of the Group's exposure to the use of these derivatives. The amounts exchanged are determined on the basis of the notional amounts and other terms included in the derivative instruments.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

14) FINANCIAL INSTRUMENTS - CONTINUED

14.2) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial assets and liabilities - continued

As of December 31, 2024, the carrying amounts of financial liabilities of the Group and the Company and their respective fair values are as follows:

The Group	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Non-derivative financial instruments	\$ (8,324,517)	(8,324,517)	(5,377,181)	(5,377,181)
Derivative financial instruments (note 14.3)	35,825	35,825	(94,387)	(94,387)
	\$ (8,288,692)	(8,288,692)	(5,471,568)	(5,471,568)
The Company				
Financial Liabilities				
Non-derivative financial instruments	\$ (8,320,902)	(8,320,902)	(5,376,200)	(5,376,200)
Derivative financial instruments (note 14.3)	35,825	35,825	(94,387)	(94,387)
	\$ (8,285,077)	(8,285,077)	(5,470,587)	(5,470,587)

14.3) DERIVATIVE FINANCIAL INSTRUMENTS

During the reported periods, in compliance with the guidelines established by management, the restrictions set forth by its debt agreements and its hedging strategy, the Group held derivative instruments, with the objective of changing its operating risk profile by fixing the price of fuels which is the key ingredient to electric energy consumption costs.

As of December 31, 2024, the carrying amounts and fair values of the Group's derivative instruments was as follows:

	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Fuel price hedging (asset) liability	\$ (35,825)	(35,825)	94,387	94,387

At December 31, 2024, the aggregate notional amount of the contract resulted in a receivable of \$35.825 million (US\$0.229 million) [2023: payable of \$94.387 million (US\$0.609 million)], with an estimated aggregate fair value receivable of \$35.825 million (US\$0.229 million) [2023: payable \$94.387 million (US\$0.609 million)]. The contract was designated as a cash flow hedge of diesel fuel consumption, and as such, changes in its fair value gain of \$130.212 million (2023: loss of \$94.387 million) were recognised initially in other comprehensive income and were recycled to the income statement as the related diesel volumes are consumed.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

14) FINANCIAL INSTRUMENTS - CONTINUED

14.4) RISK MANAGEMENT

Enterprise risks may arise from any of the following situations: i) the potential change in the value of assets owned or reasonably anticipated to be owned, ii) the potential change in value of liabilities incurred or reasonably anticipated to be incurred, iii) the potential change in value of services provided, purchased or reasonably anticipated to be provided or purchased in the ordinary course of business, iv) the potential change in the value of services, inputs, products or commodities owned, produced, manufactured, processed, merchandised, leased or sold or reasonably anticipated to be owned, produced, manufactured, processed, merchandised, leased or sold in the ordinary course of business, or v) any potential change in the value arising from interest rate or foreign exchange rate exposures arising from current or anticipated assets or liabilities.

In the ordinary course of business, the Group is exposed to commodities risk, including the exposure from inputs such as fuel, coal, gypsum and other industrial materials which are commonly used by the Group in the production process, and this exposes the Group to variations in prices of the underlying commodities. To manage this and other risks, such as credit risk, interest rate risk, foreign exchange risk and liquidity risk, considering the guidelines set forth by the Board of Directors, which represent the Group's risk management framework and which is supervised by management, the Group's management establishes specific policies that determine strategies oriented to obtain natural hedges to the extent possible, such as avoiding customer concentration on a determined market, with those in which the Group generates its cash flows.

As of December 31, 2024, these strategies are sometimes complemented with the use of derivative financial instruments as mentioned in note 14.3, such as the commodity forward contracts on fuels negotiated to fix the price of these underlying commodities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Interest-bearing financial assets mainly comprise bank deposits. Deposits have been contracted at variable interest rates for the duration of its term.

As of December 31, 2024, the net monetary assets by interest profile are as follows:

	The Group		The Company	
	2024	2023	2024	2023
Monetary Assets:				
Cash and cash equivalents	\$ 8,488,742	4,021,335	8,488,692	4,021,330
Net monetary assets	\$ 8,488,742	4,021,335	8,488,692	4,021,330

The following table shows the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's earnings before tax:

	The Group		The Company	
	Change in basis point		Effect on earnings before tax	
2024	+25	-50	\$ 21,222	(42,444)
2023	+25	-25	\$ 10,053	(10,053)
	The Company		The Company	
	Change in basis point		Effect on earnings before tax	
2024	+25	-50	\$ 21,222	(42,443)
2023	+25	-25	\$ 10,053	(10,053)

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has transactional currency exposures. Such exposure arises from purchases by the Group in currencies other than its functional currency. Approximately sixty percent (60%) of the Group's purchases are denominated in or sensitive to currencies other than its functional currency. Accordingly, the Group has a net foreign currency exposure as at the reporting date.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

14) FINANCIAL INSTRUMENTS - CONTINUED

14.4) RISK MANAGEMENT - CONTINUED

Foreign currency risk - continued

Monetary position by foreign currency risk

As of December 31, 2024, the net monetary assets (liabilities) of the Group and the Company by foreign currency are as follows:

	2024		2023	
	Jamaican dollar amount denominated in		Jamaican dollar amount denominated in	
	US\$	EURO	US\$	EURO
Foreign currency assets:				
Cash and cash equivalents	\$ 8,179,524	—	3,522,332	—
Accounts receivable from related parties	45,840	—	11,001	—
	8,225,364	—	3,533,333	—
Foreign currency liabilities:				
Accounts payable to related parties	(573,673)	—	(359,020)	—
Trade payables	(2,977,587)	(46,559)	(818,603)	(67,006)
	(3,551,260)	(46,559)	(1,177,623)	(67,006)
Net monetary liabilities	\$ 4,674,104	(46,559)	2,355,710	(67,006)

The following table demonstrates the sensitivity to a reasonably possible change in the following exchange rates of the Group's profit before taxation, with all other variables held constant.

	2024			
	Change in exchange rate		Effect on earnings before tax	
US\$	+4.00%	-1.00%	\$ (186,964)	46,741
Euros	+4.00%	-1.00%	\$ 1,862	(466)
	2023			
	Change in exchange rate		Effect on earnings before tax	
US\$	+4.00%	-1.00%	\$ (94,228)	23,557
Euros	+4.00%	-1.00%	\$ 2,680	(670)

Credit risk

Credit risk is the risk of financial loss faced by the Group if a customer or counterparty of a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As of December 31, 2024, the maximum exposure to credit risk is represented by the balance of financial assets. Management has developed policies for the authorisation of credit to customers. The accounting exposure to credit risk is monitored constantly according to the payment behaviour of debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behaviour regarding due dates, balances past due and delinquent accounts. The Group's management requires guarantees from its customers and financial counterparties without a contract.

Maximum exposure to credit risk is represented by the carrying amount of financial assets on the statement of financial position.

The Company's management has established a policy of low risk tolerance which analyses the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery. The review includes external ratings, when references are available, and in some cases bank references. Thresholds of purchase limits are established for each client, which represent the maximum purchase amounts that require different levels of approval. Customers that do not meet the levels of solvency requirements imposed by the Group can only carry out transactions by paying cash in advance. As of December 31, 2024, considering the Group's best estimate of potential expected losses based on the ECL model developed by the Group (note 8), the allowance for expected credit losses was \$nil (2023: \$0.032 million).

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

14) FINANCIAL INSTRUMENTS - CONTINUED

14.4) RISK MANAGEMENT - CONTINUED

Credit risk - continued

The Group sells its products primarily to distributors and retailers in the construction industry. The Group manages its concentration risk by frequent and diligent reviews of its largest customer operations to ensure that they remain economically viable and will be able to settle liabilities in a timely manner.

The aged receivable balances are regularly monitored. Allowances are determined upon origination of the trade accounts receivable based on a model that calculates the ECL of the trade accounts receivable and are recognised over their term.

The Group estimates expected credit losses ECL on trade receivables using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers.

The trade receivable of \$336.862 million (2023: 340.944) for the Group and the Company is outstanding for less than 30 days and is not credit impaired.

The Group considers that it has concentration of credit risk with two (2023: two) customers and the maximum exposure to credit risk is represented by the carrying amount of each financial asset. As at December 31, 2024, amounts receivable from these customers aggregated \$310.289 million (2023: \$329.675 million). This represents 92% (2023: 97%) of the trade receivables of the Group and the company. The counterparties are considered to be creditworthy and balances due are routinely collected within credit periods.

Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient funds available to meet its obligations. In addition to cash flows provided by its operating activities, in order to meet the Group's overall liquidity needs for operations and funding capital expenditures and acquisitions, the Group relies on cost-cutting and operating improvements to optimise capacity utilisation and maximise profitability, as well as supplier finance arrangements.

The table below summarises the maturity profile of the financial liabilities at the reporting date based on contractual undiscounted payments.

The Group

		Carrying amount	Contractual cashflows	Less than 1 year	1 to 5 years	Over 5 years
2024						
Lease liabilities	\$	133,448	133,862	6,360	92,503	34,999
Accounts payable to related parties		573,673	573,673	573,673	—	—
Trade payables		5,866,639	5,866,639	5,866,639	—	—
Other current liabilities		1,714,932	1,714,932	1,714,932	—	—
Total	\$	8,288,692	8,289,106	8,161,604	92,503	34,999
2023						
Lease liabilities	\$	179,391	185,454	66,528	101,526	17,400
Accounts payable to related parties		359,084	359,084	359,084	—	—
Trade payables		3,390,414	3,390,414	3,390,414	—	—
Other current liabilities		1,626,985	1,626,985	1,626,985	—	—
Total	\$	5,555,874	5,561,937	5,443,011	101,526	17,400

As described in note 15, the Group and the Company also participates in supplier finance arrangements with the principal purpose of facilitating efficient payment processing of supplier invoice and providing the willing suppliers early payment terms compared with the related invoice payment due date. The arrangement allows the Group and the Company to centralise payments of trade payables to the bank rather than paying each supplier individually.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

14) FINANCIAL INSTRUMENTS - CONTINUED

14.4) RISK MANAGEMENT - CONTINUED

Liquidity risk - continued

From the Group and the Company perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating.

The table below summarises the maturity profile of the financial liabilities at the reporting date based on contractual undiscounted payments.

The Company

		Carrying amount	Contractual cashflows	Less than 1 year	1 to 5 years	Over 5 years
2024						
Lease liabilities	\$	133,448	133,862	6,360	92,503	34,999
Accounts payable to related parties		573,673	573,673	573,673	—	—
Trade payables		5,866,639	5,866,639	5,866,639	—	—
Other current liabilities		1,711,317	1,711,317	1,711,317	—	—
Total	\$	8,285,077	8,285,491	8,157,989	92,503	34,999
2023						
Lease liabilities	\$	179,391	185,454	66,528	101,526	17,400
Accounts payable to related parties		359,084	359,084	359,084	—	—
Trade payables		3,389,988	3,389,988	3,389,988	—	—
Other current liabilities		1,626,428	1,626,428	1,626,428	—	—
Total	\$	5,554,891	5,560,954	5,442,028	101,526	17,400

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business activities, maximise shareholder value. As at the reporting date, there were no externally imposed capital ratio requirements.

The Group manages its capital structure and make adjustments, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

15) TRADE PAYABLES

As of December 31, 2024, trade payables consisted of:

		The Group		The Company	
		2024	2023	2024	2023
Trade payables - directly payable to suppliers	\$	2,729,742	1,941,032	2,729,742	1,940,606
Trade payables - supplier finance arrangements		3,136,897	1,449,382	3,136,897	1,449,382
	\$	5,866,639	3,390,414	5,866,639	3,389,988

Information about the Group's exposure to currency and liquidity risk is included in note 14.4.

The Group participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from participating banks by factoring their receivable from the Group. Under the arrangement, the banks agree to pay an amount to participating suppliers in respect of invoices owed by the Group and receive settlement from the Group at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable willing suppliers to sell their receivables due from the Group to the banks before their due date.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

15) TRADE PAYABLES - CONTINUED

The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement. From the Group's perspective, the arrangement do not significantly extend payment terms beyond the normal terms agreed with the suppliers that are not participating. The Group does not incur any additional interest towards the banks on the amounts due to the suppliers. The Group therefore discloses the amounts factored by suppliers within trade payables because the nature and function of the financial liability remain the same as those of other trade payables but discloses disaggregated amounts in the notes. All payables under the supplier finance arrangement are classified as current at December 31, 2024.

The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Group and their principal nature remains operating - i.e. payments for the purchase of goods and services. The payments to the suppliers by the bank of \$2.234 billion as considered non-cash transactions.

Additional information about the Group and the Company trade payables is provided in the table below:

	The Group and the Company	
	2024	2023
Carrying amount of financial liabilities	\$	
Presented within trade payables	3,136,897	1,449,382
of which suppliers have received payment from the bank	2,234,135	*
Range of payment due dates		
Trade payables subject to supplier finance arrangement (days after invoice date)	2-180 days	*
Comparable trade payables (days after invoice date)	1-120 days	*

Non-cash changes

There were no significant non-cash changes in the carrying amounts of financial liabilities subject to suppliers finance arrangements.

* The Group applied transitional relief available under Supplier Finance Arrangements - *Amendments to IAS 7 and IFRS 7* and has not provided comparative information in the first year of adoption. For additional information about how these arrangements affect the Group and Company's exposure to liquidity risk, see note 14.4.

16) OTHER CURRENT LIABILITIES

As of December 31, 2024, the balance other current liabilities are summarised as follows:

	The Group		The Company	
	2024	2023	2024	2023
Advances from customers	\$ 411,150	244,087	411,150	244,087
Other taxes payable	269,912	238,446	269,611	238,446
Other accounts payable and accrued expenses	1,033,870	1,144,452	1,030,556	1,143,895
	\$ 1,714,932	1,626,985	1,711,317	1,626,428

(i) Other accounts payable and accrued expenses consist primarily of utilities and production related accruals, along with accrued employee benefits. These amounts are revolving in nature and are expected to be settled and replaced by similar amounts within the next 12 months.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

17) PROVISIONS

As of December 31, 2024, the balance of provisions are summarised as follows:

	The Group and the Company	
	2024	2023
Rehabilitation provision.....	\$ 117,088	96,502
Changes in rehabilitation provision for the year ended December 31, 2024, are as follows:.....		
	2024	2023
Balance at beginning of the year	\$ 96,502	90,845
Increase (decrease) in estimates.....	9,299	(15,499)
Payments.....	(364)	(986)
Unwinding of discount on rehabilitation provision (note 6).....	11,651	22,142
Balance at end of year	\$ 117,088	96,502
Out of which:		
Current provisions	34,359	35,082
Non-current provisions	82,729	61,420
	\$ 117,088	96,502

18) PENSIONS AND POST-EMPLOYMENT BENEFITS

Defined contribution pension plans

The Group participates in a defined contribution pension plan which is managed by an independent party, Sagicor Life Jamaica Limited. This plan is mandatory for all categories of permanent employees. Contributions are 10% of pensionable salary for both employee and employer. The amount of annual pension at any date shall be that pension which can be secured by the accumulated contribution plus interest to that date. The Group's and Company's contributions during the year amounted to \$76.488 million (2023: \$62.727 million).

Employee benefits obligation

The Group offers a post-retirement medical benefit to its employees and retirees whereby the company covers a portion of the cost for active members and full medical coverage for retired employees and their spouses, provided they were already covered by the scheme at the time of retirement.

Employees who had fifteen (15) years' service and are age 50 and above, shall remain on the medical scheme provided that they were not re-employed.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

18) PENSIONS AND POST-EMPLOYMENT BENEFITS - CONTINUED

	The Group and the Company	
	2024	2023
Net period cost (income)		
Recorded in operating expenses	\$	
Current service cost	12,854	11,487
Recorded in financial expenses		
Interest cost (note 6)	89,202	118,238
Recorded in other comprehensive income	\$	
Net actuarial losses (gains) for the year	202,521	(196,961)
For the year 2024, actuarial losses (gains) for the period were generated by the following main factors as follows:		
	\$	2024
Changes in financial assumptions	194,276	266,604
Experience adjustments	8,245	(463,565)
		2023
		202,521
		(196,961)
As of December 31, 2024, the reconciliation of the actuarial benefits' obligations and pension plan assets, are presented as follows:		
		2024
Change in benefits obligation:	\$	2023
Projected benefit obligation at beginning of the year	818,919	927,461
Service cost	12,854	11,487
Interest cost (note 6)	89,202	118,238
Net actuarial loss (gains) for the year	202,521	(196,961)
Benefits paid	\$ (47,286)	\$ (41,306)
Projected benefit obligation at end of the year	1,076,210	818,919

The principal actuarial assumptions used are as follows:

	The Group and Company	
	2024	2023
Assumptions:		
Discount rate	9.50%	11.00%
Inflation rate	5.00%	6.00%
Medical growth rate	8.00%	9.00%

Post-employment mortality for active members and mortality for pensioners is based on the 1994 Group Annuity Mortality Tables (GAM 94 table) (U.S. mortality tables) with no age setback.

At December 31, 2024, the weighted average duration at the defined benefit obligation was 23 years (2023: 24 years).

Sensitivity analysis on projected benefits obligation

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarises how the projected benefit obligation measured at the end of the reporting period would have increased (decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analyses for each assumption, all others were held constant. The economic assumptions are somewhat linked as they are all related to inflation. Hence, for example, a 1% reduction in the long-term discount rate, would cause some reduction in the health cost inflation rate.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

18) PENSIONS AND POST-EMPLOYMENT BENEFITS - CONTINUED

	2024			
	Change		Effect on health cost	
Assumptions:				
Discount rate sensitivity	+1.00%	-1.00%	\$ (117,157)	145,064
Medical growth rate	+1.00%	-1.00%	\$ 145,064	(119,617)
Life expectancy (years)	+1	-1	\$ 35,055	(34,845)
	2023			
	Change		Effect on health cost	
Assumptions:				
Discount rate sensitivity	+1.00%	-1.00%	\$ (94,573)	116,592
Medical growth rate	+1.00%	-1.00%	\$ 116,592	(96,938)
Life expectancy	+1	-1	\$ 26,741	(26,690)

The Company embarked on an exercise in 2019 to determine whether all retirees, who are in receipt of medical benefits, are alive. One hundred and sixty-four (164) retirees had not made any contact to collect the medical cards necessary to access the benefits. A more recent list was provided in November 2023 and there are only 44 members who do not have a medical card. While this does not directly imply that these members are not alive, it has been assumed, for the purpose of this valuation, that retirees and their spouses who are aged 75 years and over are deceased. However, none of them are in this age range and so none was removed.

19) TAXATION

19.1) TAXATION CHARGED FOR THE PERIOD

The amounts of tax expense in the statement of income statements for 2024 are summarised as follows:

	The Group and Company	
	2024	2023
Current tax	\$ 1,527,131	1,373,075
Previous year tax adjustment	—	(15,003)
Deferred tax	292,619	325,228
	\$ 1,819,750	1,683,300

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

19) TAXATION - CONTINUED

19.2) DEFERRED TAXATION

The effect of deferred tax for the year represents the difference between the tax balances at the beginning and end of the year.

As of December 31, 2024, the temporary differences that generated the deferred tax assets and liabilities of the Group and Company are presented below:

	2024			
	January 1	Recognised in the income statement	Recognised in OCI	December 31
Deferred tax assets:				
Inventory accrual	\$ 26,247	(2,756)	—	23,491
Lease liabilities	44,898	54,880	—	99,778
Other payables	71,520	14,781	—	86,301
Post-retirement benefit obligation	204,730	13,692	50,630	269,052
Unrealised exchange losses	12,652	(3,484)	—	9,168
Total deferred tax assets	\$ 360,047	77,113	50,630	487,790
Deferred tax liabilities:				
Property, machinery and equipment	(2,988,785)	(308,740)	—	(3,297,525)
Right-of-use assets	(40,879)	(54,542)	—	(95,421)
Unrealised exchange gains	(2,877)	(6,450)	—	(9,327)
Total deferred tax liabilities	(3,032,541)	(369,732)	—	(3,402,273)
Net deferred tax liabilities	\$ (2,672,494)	(292,619)	50,630	(2,914,483)

	2023			
	January 1	Recognised in the income statement	Recognised in OCI	December 31
Deferred tax assets:				
Inventory accrual	35,138	(8,891)	—	26,247
Lease liabilities	33,957	10,941	—	44,898
Other payables	59,625	11,895	—	71,520
Post-retirement benefit obligation	231,864	22,106	(49,240)	204,730
Unrealised exchange losses	—	12,652	—	12,652
Total deferred tax assets	\$ 360,584	48,703	(49,240)	360,047
Deferred tax liabilities:				
Property, machinery and equipment	\$ (2,654,191)	(334,594)	—	(2,988,785)
Right-of-use assets	—	(40,879)	—	(40,879)
Unrealised exchange losses	(4,419)	1,542	—	(2,877)
Total deferred tax liabilities	(2,658,610)	(373,931)	—	(3,032,541)
Net deferred tax liabilities	\$ (2,298,026)	(325,228)	(49,240)	(2,672,494)

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

19) TAXATION - CONTINUED

19.3) RECONCILIATION OF EFFECTIVE TAX RATE

For the year ended December 31, 2024, the effective tax rates were as follows:

	The Group		The Company	
	2024	2023	2024	2023
Earnings before taxation	\$ 7,771,850	7,259,730	7,739,898	7,272,379
Taxation	\$ 1,819,750	1,683,300	1,819,750	1,683,300
Effective tax rate	23.41 %	23.19 %	23.51 %	23.15 %

The current tax charge differs from the theoretical amount that would arise using the tax rate as follows:

	The Group		The Company	
	2024	2023	2024	2023
Earnings before taxation	\$ 7,771,850	7,259,730	7,739,898	7,272,379
Taxed at 25%	(1,942,963)	(1,814,933)	(1,934,975)	(1,818,095)
Tax on non-allowable expenses:				
Previous year tax adjustment	—	15,003	—	15,003
Other non-allowable expenses	18,156	(42,706)	10,168	(39,544)
Employment tax credit	105,057	159,336	105,057	159,336
\$	(1,819,750)	(1,683,300)	(1,819,750)	(1,683,300)

At December 31, 2024, subject to agreement with the Taxpayer Audit and Assessment Department, tax losses for the subsidiary amounted to approximately \$75.881 million (2023: \$67.988 million). If unutilised, these losses can be carried forward indefinitely. However, the amount that can be utilised in any one year is restricted to 50% of the taxable income for that year.

As at December 31, 2024, a deferred taxation asset of \$18.970 million (2023: \$16.997 million) in relation to tax losses of the subsidiary are available for reducing future tax payments was not recognised in the consolidated statement of financial position given a level of uncertainty regarding their utilisation.

20) SHARE CAPITAL AND RESERVES

(20.1) SHARE CAPITAL

As of December 31, 2024, the breakdown of authorised share capital was as follows:

	Number of units ('000)	
	2024	2023
Ordinary share units at no par value	1,335,000	1,335,000
Preference shares of US\$1 par value	115,000	115,000

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the company. All ordinary shares rank equally with regards to the company's residual assets.

As of December 31, 2024, the share capital of the Company is as follows:

	2024		2023	
	Number of units ('000)	Value (\$)	Number of units ('000)	Value (\$)
Issued and fully paid:				
Ordinary share at no par value	851,138	1,808,837	851,138	1,808,837
Capital contribution (i)		3,844,684		3,840,224

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

20) SHARE CAPITAL AND RESERVES - CONTINUED

(20.1) SHARE CAPITAL - CONTINUED

(i) Capital contribution

a) Debt forgiveness:

- On June 25, 2013, the TCL Board approved that intercompany balances of US\$38 million due by the Company to TCL be forgiven. The debt forgiven was credited to capital contribution by the Company. This restructuring was designed to strengthen the equity position of the Company.

b) Share-based compensation:

- This comprises compensation expense related to long-term incentive plans with shares of CEMEX S.A.B de C.V. (Mexico) to employees with management positions of the Company for the period ended December 31, 2024, which was recognized in operating results. Also, see note 2.14. As of December 31, 2024, the Company has no commitments to make cash payments to executives based on changes in the prices of CEMEX S.A.B. of C.V. (Mexico).

(20.2) RESERVES

(a) Realised capital gain

The Group and the Company realised capital gains of \$1.413 billion (2023: \$1.413 billion), represents the profit from the sale of certain machinery and equipment in August 1999.

(b) Other equity reserves

As of December 31, 2024, other equity reserves are summarised as follows:

	The Group and the Company	
	2024	2023
Capital redemption fund reserve	\$ 5,077,760	5,077,760
Fuel price hedge (note 14.3)	35,825	(94,387)
	\$ 5,113,585	4,983,373

(c) Accumulated net income and total comprehensive income:

(i) The "total net income" for the year ended December 31, 2024, were dealt with in the financial statements as follows:

	2024	2023
Company	\$ 5,920,148	5,589,079
Subsidiary	31,952	(12,649)
	\$ 5,952,100	5,576,430

(ii) The "accumulated net income/(losses)" as of December 31, 2024, are reflected in the financial statements as follows:

	2024	2023
Company	\$ 16,136,655	12,041,310
Subsidiary	(2,211)	(34,163)
	\$ 16,134,444	12,007,147

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

20) SHARE CAPITAL AND RESERVES

20.2) RESERVES - CONTINUED

(c) Accumulated net income and total comprehensive income: - continued

(iii) Changes in accumulated net income/(losses) for the year ended December 31, 2024, are as follows:

	The Group		The Company	
	2024	2023	2024	2023
Balance at beginning of the year	\$ 12,007,147	7,898,156	12,041,310	7,919,670
Net income	5,952,100	5,576,430	5,920,148	5,589,079
Net actuarial gains for the year	(151,891)	147,721	(151,891)	147,721
Dividends	(1,672,912)	(1,615,160)	(1,672,912)	(1,615,160)
Balance at end of the year	\$ 16,134,444	12,007,147	16,136,655	12,041,310

(d) Dividends

At the Annual General Meeting of Caribbean Cement Company Limited (CCCL) held on July 18, 2024, the company by ordinary resolution declared a final dividend of \$1.9655 per share totaling \$1.673 billion, which was paid on September 3, 2024, to shareholders on record as at July 23, 2024, with an ex-dividend date of July 22, 2024. In the prior year, the company declared dividend of \$1.8976 per share totaling \$1.615 billion to shareholders.

21) BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing consolidated net income attributable to ordinary shareholders of the Company (the numerator) by the weighted-average number of shares outstanding (the denominator) during the year. The amounts considered for calculations of earnings per share in 2024 were as follows:

The amounts considered for calculations of earnings per share in 2024 were as follows:

	The Group	
	2024	2023
Consolidated net income attributable to shareholders	\$ 5,952,100	5,576,430
Number of ordinary shares in issue (thousands)	851,138	851,138
Earnings per ordinary share (expressed in \$ per share)	\$ 6.99	6.55

22) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

22.1) ACCOUNTS RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES

Balances and operations between the Company and its subsidiary and associated companies, including the Parent result mainly from: (i) businesses and operational activities; and (ii) billing of administrative services and other services rendered between affiliated companies. The transactions between subsidiaries and associate companies are conducted at arm's length.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

22) BALANCES AND TRANSACTIONS WITH RELATED PARTIES - CONTINUED

22.1) ACCOUNTS RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES - CONTINUED

For the transactions mentioned above, as of December 31, 2024, the main accounts receivable and payable with related parties, are the following:

	2024	The Group and the Company	
		Assets	Liabilities
		Short-term	Short-term
Beijing Imports and Exports		\$ —	7,346
CEMEX International Trading LLC		—	384,639
Sunbulk		1,494	—
CEMEX Innovation Holdings Limited		—	76,549
CEMEX Bayano		—	440
CEMEX Colombia S.A.		681	—
CEMEX Jamaica Limited		4,778	—
CEMEX USA		631	—
CEMEX Dominicana S.A.		1,059	—
CEMEX Espana Gestion Y Servicios, S.L.U		—	55,657
TCL Ponsa Manufacturing Limited		—	8,934
CEMEX Operaciones Mexico SA de C.V.		35,825	26,439
Trinidad Cement Limited		1,367	13,669
Others		5	—
		\$ 45,840	573,673

	2023	The Group and the Company	
		Assets	Liabilities
		Short-term	Short-term
Arawak Cement Company Limited		\$ —	1,984
Beijing Imports and Exports		—	58,509
CEMEX Innovation Holdings Limited		—	79,371
CEMEX International Trading LLC		—	347
CEMEX Jamaica Limited		3,948	1,360
CEMEX USA		4,688	—
CEMEX Espana Gestion Y Servicios, S.L.U		—	53,062
Sunbulk Shipping Limited		310	36,194
Superquímicos de Centroamérica S.A.		1,999	—
TCL Ponsa Manufacturing Limited		—	15,468
TCL Nevis		—	99,349
Trinidad Cement Limited		—	13,440
		\$ 10,945	359,084

Accounts receivable from related parties are deemed to have low credit risk. The expected credit loss on these are therefore considered immaterial.

a) Other short-term assets relate to management fees, sales, purchases and reimbursable expenses. Amounts receivables are deemed to have low credit risk. They are short-term in nature and due on demand. Additionally, they are interest free, unsecured and do not have any set repayment terms.

CARIBBEAN CEMENT COMPANY LIMITED

Notes to the Group and Company Financial Statements

As of and for the year ended December 31, 2024

(Thousands of Jamaica Dollars)

22) BALANCES AND TRANSACTIONS WITH RELATED PARTIES - CONTINUED

22.2) MAIN OPERATIONS WITH RELATED PARTIES

	The Group and the Company				The Company	
	CEMEX SAB de CV and related entities		Trinidad Cement Limited and its subsidiaries		Caribbean Cement Company Limited's subsidiary	
	2024	2023	2024	2023	2024	2023
Included in the income statement profit or loss						
Revenue:						
Sale of cement	\$ 95,910	121,870	—	—	—	—
Management fees	41,234	40,524	—	—	—	—
Other	45,465	311	27,406	—	—	—
Cost of sales and operating expenses:						
Purchase of cement	(1,165,742)	(457,078)	—	—	—	—
Purchase of fuel	(973,596)	(1,362,246)	—	—	—	—
Purchase of goods and other materials	(101,553)	(129,548)	(180,183)	(140,253)	—	—
Purchase of iron silicate	—	(126,762)	—	—	—	—
Purchase of additives	(302,239)	(262,689)	—	—	—	—
Technical service fees	(176,669)	(226,905)	—	—	—	—
Freight charges	(8,744)	(11,389)	—	—	—	—
Other income and expenses:						
Management fees	—	—	(204,105)	(203,088)	—	—
Subvention	—	—	—	—	(14,465)	(13,244)
Royalty and service fees	(480,645)	(501,155)	—	—	—	—
Financing income:						
Interest income	396,665	112,066	—	—	—	—
Financing cost:						
Interest expense	—	(5,233)	—	—	—	—
Recharges:						
Recharges to related party for expenses	3,492	—	1,982	—	6,829	—
Recharges from related party for expenses	—	—	(20,091)	—	—	—
Included in the statement of financial position						
Capital expenditure	\$ (495,663)	(75,187)	—	—	—	—

22.3) COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

	The Group		The Company	
	2024	2023	2024	2023
Short-term employee benefits (i)	\$ 176,669	226,905	176,669	226,905
Director's emoluments (ii)	10,045	8,868	10,045	8,868
	\$ 186,714	235,773	186,714	235,773

(i) Compensation to key management personnel are represented by technical service fees paid to related parties.

(ii) Directors' emoluments include an amount for health insurance paid for the Chairman of the Board.

CARIBBEAN CEMENT COMPANY LIMITED
Notes to the Group and Company Financial Statements
As of and for the year ended December 31, 2024
(Thousands of Jamaica Dollars)

22) BALANCES AND TRANSACTIONS WITH RELATED PARTIES - CONTINUED

22.4) ACCOUNTS RECEIVABLE FROM SUBSIDIARY

This amount represents recharges due from subsidiary which is interest free, unsecured and has no fixed repayment period.

23) CAPITAL COMMITMENTS

An aggregate amount of \$3.1 billion (US\$19.97 million) [(2023: \$0.6 billion (US\$4.29 million))] was approved and contracted for as of December 31, 2024, in respect of capital projects, relating to the planned expansion of plant capacity. These costs will be financed in the normal course of operations of the Group.

24) CONTINGENCIES

As of December 31, 2024 there are four claims against the Group. The Directors are of the opinion that if the Claimants are successful, liability should not exceed \$30 million.



Perched in the lush hills of Portland, Jamaica, American DJ Diplo's modern tropical getaway, Pompey, boasts striking architecture, an infinity pool, and panoramic views of the Caribbean Sea – a seamless blend of luxury and nature. Made even more special for us, cement for the project was proudly supplied by Carib Cement through our valued customer, Relmac Construction.

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