

2020



16 April 2021

Dear Stockholders,

Our Annual General Meeting is scheduled for Thursday, 1 July 2021 at 3:00p.m.

In light of the prevailing COVID-19 pandemic and the related protocols to limit its spread, stockholders will only be able to participate in the Annual General Meeting via live stream and vote on matters arising at the meeting through a link to be provided on our website (www.panjam.com) and that of the Jamaica Stock Exchange (www.jamstockex.com), as well as in the national print media.

Enclosed are copies of the Notice of Annual General Meeting, Report of the Directors, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position and Proxy Form.

As is customary, the detailed Annual Report will be made available on our website (www.panjam.com) and that of the Jamaica Stock Exchange (www.jamstockex.com). Printed copies of this report will be available upon request from the Company’s Registrar: Sagicor Bank Jamaica Limited, Group Legal Trust & Corporate Services.

The arrangements for a virtual Annual General Meeting will allow all stockholders, regardless of geographic location, to have an equal opportunity to participate in the meeting and engage the Company’s Board of Directors, Senior Management Team and Auditors. However, I would like to encourage you to submit questions prior to the Annual General Meeting by sending an email to info@panjam.com or call (876) 936-7384 or (876) 990-8638.

I also urge you to have your dividends deposited directly to your bank account, as this will enable efficient delivery and receipt. Accordingly, we have enclosed the Dividend Mandate for you to complete and submit to the Company’s Registrar, if you haven’t already done so.

While 2020 brought its challenges, we believe that our current circumstances are temporary, and that successful global vaccination programmes will have significant positive effects on business, investor and macroeconomic confidence. In the interim, your company is well positioned to withstand the continued impact of this uncertainty.

We thank you, our stockholders, for your patience and trust, and we look forward to sharing the details of our recent activities with you at the Annual General Meeting on Thursday, 1 July 2021.

Yours sincerely,

PANJAM INVESTMENT LIMITED

Stephen B. Facey
Chairman & C.E.O.

The PanJam Building A: 60 Knutsford Boulevard, Kingston 5, Jamaica W.I. T: +1 876-929-4510(-4) F: +1 876-929-5766 W: www.panjam.com

Directors: Stephen B. Facey, CD, BA, M. Arch. (Chairman & Chief Executive Officer); Christopher N. Barnes, BS Mech. Eng., MBA; Paul A. B. Facey, BSc., MBA; Paul R. Hanworth, BA, MA, FCA, CPA; Kathleen A. J. Moss, BSc., MBA, CBV; Ian Parsard, BSc., MBA, ACCA; Donovan H. Perkins, BA, MBA; T. Matthew Pragnell, BA; Angella Rainford, BA, MPhil, MBA; Gene M. Douglas, FCIS, MBA (Secretary)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty-Seventh Annual General Meeting of PanJam Investment Limited will be held **virtually on Thursday, 1 July 2021 at 3:00p.m.** for the following purposes:

1. To receive the Audited Financial Statements for the year ended 31 December 2020, and the Reports of the Directors and Auditors thereon.

To consider and (if thought fit) pass the following Resolution:

“THAT the Audited Accounts for the year ended 31 December 2020 together with the Reports of the Directors and the Auditors thereon be and are hereby adopted.”

2. To approve the Dividend paid as final.

To declare the interim dividends of \$0.38 declared during the year, as final dividend for the year ended 31 December 2020.

To consider and (if thought fit) pass the following Resolution:

“THAT the interim dividends of 27.5 cents paid 8 April 2020 and 10.5 cents paid 17 December 2020 making a total of \$0.38 per stock unit be declared as final dividend for the year ended 31 December 2020.”

3. To elect Directors.

The Directors retiring by rotation pursuant to Article 89 of the Articles of Incorporation are Mr. Paul A. B. Facey, Mr. T. Matthew W. Pragnell and Mr. Christopher N. Barnes, who being eligible offer themselves for re-election.

To consider and (if thought fit) pass the following Resolutions:

- (a) “THAT the retiring Director Mr. Paul A. B. Facey be re-elected a Director of the Company.”
- (b) “THAT the retiring Director Mr. T. Matthew W. Pragnell be re-elected a Director of the Company.”
- (c) “THAT the retiring Director Mr. Christopher N. Barnes be re-elected a Director of the Company.”

4. To confirm the remuneration of the Non-Executive Directors.

To consider and (if thought fit) pass the following Resolution:

“THAT the amount of \$17,613,000 shown in the Accounts for the year ended 31 December 2020 for Non-Executive Directors’ fees be and is hereby approved.”

5. To fix the remuneration of the Auditors or to determine the manner in which such remuneration is to be fixed.

To consider and (if thought fit) pass the following Resolution:

“THAT the remuneration of the Auditors, PricewaterhouseCoopers, who have signified their willingness to continue in office, be fixed by the Directors.”

By order of the Board,



Gene M. Douglas

Secretary

Kingston, Jamaica

9 April 2021

A member entitled to attend and vote at the above-mentioned meeting is entitled to appoint one or more proxies to attend and on a poll to vote instead of him. Such proxy must be lodged at the Company’s Registrar not less than forty-eight hours before the meeting. A proxy need not be a member. A suitable form of proxy is enclosed.

PLEASE complete and submit to:

The Registrar, Sagicor Bank Jamaica Limited, Group Legal Trust & Corporate Services, Ground Floor, 28-48 Barbados Avenue, Kingston 5.

REPORT OF THE DIRECTORS

The Directors herewith submit their Report and the Audited Financial Statements for the year ended 31 December 2020.

	\$'000
The Group profit before taxation was	3,345,585
Taxation amounted to	188,725
Making Group profit after taxation	3,534,310
The share of non-controlling interest in the results of subsidiaries was	(29,790)
Making the profit attributable to stockholders	3,504,520
To be added to retained earnings brought forward from last year	31,911,597
Making a total of	35,416,117
Dividends paid amounted to	(402,670)
and there were adjustments to retained earnings in respect of	
transfer to property revaluation reserves	(314,578)
transfer from investment and other reserves	33,843
post-employment benefit obligations, net of taxation	(39,794)
Leaving retained earnings to be carried forward to the next year of	34,692,918

Directors

The Directors retiring by rotation pursuant to Article 89 of the Articles of Incorporation are Mr. Paul A. B. Facey, Mr. T. Matthew W. Pragnell and Mr. Christopher N. Barnes, who being eligible offer themselves for re-election. During the year, Ms. Angella M. Rainford was appointed a Director of the Company.

At the end of December 2020, the Board of Directors comprised:

Stephen B. Facey, CD, BA, M. Arch.
Chairman & Chief Executive Officer

Christopher N. Barnes, BS Mech. Eng., MBA
Paul A. B. Facey, BSc., MBA
Paul R. Hanworth, BA, MA, FCA, CPA
Kathleen A. J. Moss, BSc., MBA, CBV
Ian S. C. Parsard, BSc., MBA, ACCA
Donovan H. Perkins, BA, MBA
T. Matthew W. Pragnell, BA
Angella M. Rainford, BA, MPhil, MBA

Dividends

The Directors have recommended that the interim dividends paid to stockholders on 8 April 2020 and 17 December 2020 be declared as final dividend for the year ended 31 December 2020.

Auditors

PricewaterhouseCoopers have expressed their willingness to continue in office in accordance with Sections 153 and 154 of the Companies Act.

On behalf of the Board



Gene M. Douglas
Secretary
Kingston, Jamaica
9 April 2021

CONSOLIDATED INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2020

(expressed in Jamaican dollars unless otherwise indicated)

	2020 \$'000	2019 \$'000
Income		
Investments	(523,250)	2,249,947
Property	2,138,113	2,229,318
Other	439,603	146,759
	2,054,466	4,626,024
Operating expenses	(1,700,948)	(1,766,912)
Net impairment losses on financial assets	(38,438)	(36,006)
Operating Profit	315,080	2,823,106
Finance costs	(835,909)	(664,800)
Share of results of associated companies	3,866,414	4,953,100
Gains on disposal of shares in associated companies	-	1,623,136
Profit before Taxation	3,345,585	8,734,542
Taxation	188,725	(384,277)
NET PROFIT	<u>3,534,310</u>	<u>8,350,265</u>
Attributable to:		
Owners of the parent	3,504,520	8,308,325
Non-controlling interests	29,790	41,940
	<u>3,534,310</u>	<u>8,350,265</u>
Earnings per stock unit attributable to owners of the parent during the year		
Basic and fully diluted	<u>\$3.31</u>	<u>\$7.85</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2020

(expressed in Jamaican dollars unless otherwise indicated)

	2020 \$'000	2019 \$'000
Net Profit for the year	3,534,310	8,350,265
Other Comprehensive Income, net of taxes		
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of equity instruments at fair value through other comprehensive income	(81,905)	83,437
Re-measurement of post-employment benefit obligations, net of taxation	(39,794)	(33,266)
Share of other comprehensive income of associated company, net of taxation	(590,666)	244,437
	<u>(712,365)</u>	<u>294,608</u>
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences on translating foreign operations	8,744	4,210
Changes in the fair value of debt instruments at fair value through other comprehensive income, net of taxation	7,137	25,900
Gains recycled to profit or loss on disposal and maturity of investment assets, net of taxation	-	(2,361)
Share of other comprehensive income of associated company, net of taxation	1,973,140	1,897,177
	<u>1,989,021</u>	<u>1,924,926</u>
TOTAL COMPREHENSIVE INCOME	<u>4,810,966</u>	<u>10,569,799</u>
Attributable to:		
Owners of the parent	4,781,176	10,527,859
Non-controlling interests	29,790	41,940
	<u>4,810,966</u>	<u>10,569,799</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2020

(expressed in Jamaican dollars unless otherwise indicated)

	2020 \$'000	2019 \$'000
ASSETS		
Cash and Bank Balances	125,149	160,129
Investments		
Deposits	694,275	699,319
Investment securities:		
Financial assets at fair value through other comprehensive income	1,219,231	797,232
Financial assets at fair value through profit or loss	7,584,640	8,961,181
Financial assets at amortised cost	3,646,796	229,835
	12,450,667	9,988,248
Securities purchased under agreements to resell	868,712	852,326
Investment properties	9,531,152	9,026,597
Investment in associated companies	35,339,651	31,078,668
	<u>58,884,457</u>	<u>51,645,158</u>
Other assets		
Taxation recoverable	73,749	77,140
Prepayments and miscellaneous assets	1,557,217	1,794,477
Property, plant and equipment	1,880,236	675,356
Intangibles	50,470	48,717
	<u>3,561,672</u>	<u>2,595,690</u>
	<u><u>62,571,278</u></u>	<u><u>54,400,977</u></u>

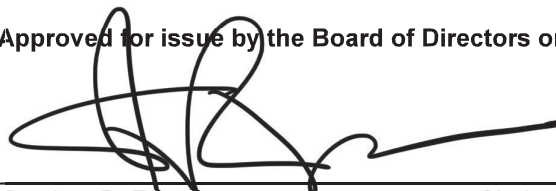
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 DECEMBER 2020

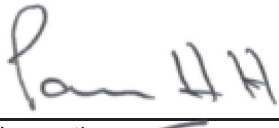
(expressed in Jamaican dollars unless otherwise indicated)

	2020	2019
	\$'000	\$'000
STOCKHOLDERS' EQUITY AND LIABILITIES		
Stockholders' Equity		
Capital and Reserves Attributable to Owners of the Parent		
Share capital	2,141,985	2,141,985
Equity compensation reserve	116,594	89,376
Property revaluation reserve	5,211,785	4,897,207
Investment and other reserves	5,395,698	4,029,178
Retained earnings	34,692,918	31,911,597
Treasury stock	(372,609)	(326,142)
	47,186,371	42,743,201
Non-Controlling Interests	286,675	342,385
	47,473,046	43,085,586
Liabilities		
Bank overdrafts	11,378	5,206
Taxation payable	81,447	88,286
Loan liabilities	13,663,531	9,343,742
Lease liabilities	34,979	40,504
Deferred tax liabilities	314,399	637,805
Retirement benefit liabilities	510,477	370,254
Other liabilities	482,021	829,594
	15,098,232	11,315,391
	62,571,278	54,400,977

Approved for issue by the Board of Directors on 15 March 2021 and signed on its behalf by:



 Stephen B. Facey Chairman



 Paul R. Hanworth Director



SHAREHOLDER ELECTRONIC FUND TRANSFER FORM

Please indicate stock name: PANJAM INVESTMENT LIMITED

DECLARATION	
I _____ hereby request that all dividends be transferred to my account as follows.	
PERSONAL DATA	
Name	
Home Address	
Mailing Address (If different from above)	
Stockholder Account Number	
Tax Registration Number	
Telephone Number	
Fax. Number	
Email Address	
BANK DATA	
Bank/Financial Institution	
Branch	
Address	
Name of Account Holder	
Indicate type of account: <input type="checkbox"/> Current A/c <input type="checkbox"/> Savings A/c <input type="checkbox"/> Other _____ (if other list type)	
Account Number	

Signature (Shareholder)

Signature (Joint Shareholder)

PLEASE complete and submit to: The Registrar, Sagicor Bank Jamaica Limited, Group Legal Trust & Corporate Services, Ground Floor, 28-48 Barbados Avenue, Kingston 5.

PROXY FORM

I/We _____

of _____

being a Member(s) of **PANJAM INVESTMENT LIMITED** hereby appoint

_____ of _____

or failing him/her _____

of _____

as my/our Proxy, to vote for me/us on my/our behalf at the Annual General Meeting of the said Company to be held **virtually on Thursday, 1 July 2021 at 3:00p.m.**

SIGNED this _____ day of _____ 2021

Signature _____

(If executed by a Corporation, the Proxy should be sealed)

Resolutions	For	Against
1		
2		
3(a)		
3(b)		
3(c)		
4		
5		

Place
\$100
Stamp
Here

N.B. The instrument appointing proxy must be produced prior to the meeting or adjourned meeting at which it is to be used, and in default not to be treated as valid. The Proxy Form must be lodged at the Company's Registrar not later than forty-eight (48) hours before the meeting.



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www.panjam.com