



Interim Unaudited
Consolidated
Financial Statements

31 March 2023

PanJam Investment Limited

Interim Report to Stockholders For the three months ended 31 March 2023

On behalf of the Board of Directors, we present the unaudited consolidated financial statements of PanJam Investment Limited (“PanJam”) for the three months ended 31 March 2023.

Highlights

- In line with International Accounting Standards Board issued standards, effective 1 January 2023, Sagicor Group Jamaica (“Sagicor”) implemented International Financial Reporting Standards (“IFRS”) 17 – Insurance Contracts, which fundamentally changed the way it accounts for insurance contracts. The adoption of this new accounting standard has had a material impact on the presentation and calculation of Sagicor’s results, but not its underlying strategy or long-term value. It also required a restatement of Sagicor’s prior year’s financial statements. As a 30.2% shareholder of Sagicor, PanJam’s share of the effects of IFRS 17 are reflected in our 2023 financial statements and our restated 2022 financial statements.
- Net loss attributable to shareholders of \$11.1 million for the quarter (restated 2022: net loss of \$323.8 million)
- Loss per stock unit for the quarter of \$0.01 (restated 2022 loss: \$0.31)
- Book value per stock unit of \$39.83 at 31 March 2023 (restated at 31 March 2022: \$37.73)
- Ordinary dividend per stock unit declared/paid during the quarter of \$0.225 (2022: \$0.635)

Income Statement

Net loss attributable to owners for the three months ended 31 March 2023 amounted to \$11.1 million, compared to the restated loss of \$323.8 million recorded for the same period in 2022. Loss per stock unit for the quarter was \$0.01 compared to the restated 2022 loss per stock unit of \$0.31.

Income from our core operations increased by 31.5 per cent when compared to the prior year, driven primarily by \$448.1 million of income from the ROK Hotel Kingston, Tapestry Collection by Hilton. Investments generated income of \$10.1 million (restated 2022: \$236.9 million) from interest income and foreign exchange gains, which were largely offset by unrealized losses on trading equities. Property income continued its steady performance, increasing by 3.7 per cent to \$522.1 million due to annual rental rate adjustments and revaluation gains.

Operating expenses totaled \$1.4 billion, more than double the amount in the first quarter of 2022. While inflationary pressure on wages and direct property costs negatively impacted our performance, PanJam incurred one-off professional fees related to its amalgamation with Jamaica Producers Group Limited (“Jamaica Producers”). Finance costs increased by 14.8 per cent to \$277.1 million (restated 2022: \$241.4 million) due to higher average interest rates and a marginal increase in debt principal.

PanJam Investment Limited

Associated Companies

PanJam's associated companies include our 30.2% investment in Sagicor. We also hold minority positions in a number of diverse private entities across the adventure tourism, business process outsourcing, hospitality, micro-lending and office rental sectors.

For the first three months of 2023, our share of results of associated companies amounted to \$673.2 million, increasing by \$905.0 million when compared to the same period in 2022 due to improved year-over-year performance from all of our associates, particularly Sagicor. However, it is important to note that PanJam's share of results of associated companies for the first quarter of 2022 was restated in line with Sagicor's adoption of IFRS 17, decreasing by \$1.4 billion to a loss of \$231.8 million.

As a significant shareholder in Sagicor, we welcome the greater transparency and comparability that IFRS 17 will bring to financial reporting throughout the insurance industry. We remain confident in the long-term prospects of Sagicor and its ability to create value for our shareholders, and will continue to monitor the impact of this new accounting standard.

Balance Sheet

Total assets at 31 March 2023 amounted to \$58.4 billion compared to the restated \$56.0 billion at 31 March 2022. Stockholders' equity as at 31 March 2023 totalled \$42.3 billion, 5.7 per cent higher than the restated 31 March 2022 balance of \$40.0 billion. This equates to a 31 March 2023 book value per stock unit of \$39.83 (restated 31 March 2022: \$37.73).

Outlook

Effective 1 April 2023, PanJam and Jamaica Producers successfully completed their amalgamation process, which was approved by the shareholders of both companies on 22 December 2022. Pursuant to the terms of the amalgamation agreement, Jamaica Producers transferred its material businesses to PanJam in exchange for Jamaica Producers receiving a 34.5% ownership stake in the amalgamated enterprise, renamed Pan Jamaica Group Limited ("Pan Jamaica Group").

We are excited to welcome members of the Jamaica Producers team as we embark on a new journey together as the Pan Jamaica Group family. With the amalgamation complete, we look forward to blending our strengths, experiences, and passion to create unparalleled value and impact. Here's to a future of collaborative success and continued growth!

Joanna Banks, President of Pan Jamaica Group, will be appointed Executive Vice President, Strategy and Business Development of Sagicor with effect from 17 July 2023, and will simultaneously demit the office of President of Pan Jamaica Group. We thank Joanna for her steadfast commitment and her leadership during this significant time, and wish her every success in this new role. We are confident that she will be an excellent addition to Sagicor's senior leadership team and look forward to continuing to work with her in that capacity.

PanJam Investment Limited

We would like to thank our team for their unwavering commitment to our success, and our Board of Directors for their continued encouragement and wise counsel.

We also thank you, our shareholders, for being a part of the future of Pan Jamaica Group.

A handwritten signature in black ink, appearing to read 'S. Facey', with a stylized flourish at the end.

Stephen B. Facey
Chairman

PANJAM INVESTMENT LIMITED
and its subsidiaries
Unaudited Consolidated Income Statement
Three months ended 31 March 2023

	3 Months to 31 March 2023 \$'000	(Restated) 3 Months to 31 March 2022 \$'000
Income		
Investments	10,133	236,944
Property	522,067	503,268
Hotel Management	448,073	-
Other	31,233	29,281
	1,011,506	769,493
Operating expenses	(1,391,781)	(545,643)
Net impairment (losses)/recovery on financial assets	(3,157)	2,452
Operating (loss)/profit	(383,432)	226,302
Finance costs	(277,084)	(241,362)
	(660,516)	(15,060)
Share of results of associated companies (Note 2)	673,161	(231,800)
Profit/(loss) before taxation	12,645	(246,860)
Taxation	(18,203)	(71,191)
Net loss	(5,558)	(318,051)
Net loss attributable to:		
Owners of the parent	(11,117)	(323,795)
Non-controlling interest	5,559	5,744
	(5,558)	(318,051)
Earnings per stock unit attributable to owners of the parent for the period	(\$0.01)	(\$0.31)

PANJAM INVESTMENT LIMITED
and its subsidiaries
Unaudited Consolidated Statement of Comprehensive Income
Three months ended 31 March 2023

	3 Months to 31 March, 2023 \$'000	(Restated) 3 Months to 31 March, 2022 \$'000
Net loss for the period	(5,558)	(318,051)
Other comprehensive income, net of taxes:		
<i>Items that will not be reclassified to profit or loss</i>		
Change in the fair value of equity instruments at fair value through other comprehensive income	(16,013)	11,467
Share of other comprehensive income of associated company, net of taxation (Note 2)	-	(1,084)
	(16,013)	10,383
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences on translating foreign operations	(3,440)	(3,000)
Change in the fair value of debt instruments at fair value through other comprehensive income	(2,754)	(1,899)
Share of other comprehensive income of associated company (Note 2)	345,576	(994,600)
Other comprehensive income/(loss) for the period, net of tax	339,383	(999,499)
Total comprehensive income/(loss) for the period	317,811	(1,307,167)
Total comprehensive income/(loss) attributable to:		
Owners of the parent	312,252	(1,312,911)
Non-controlling interest	5,559	5,744
	317,811	(1,307,167)

PANJAM INVESTMENT LIMITED
and its subsidiaries
Unaudited Consolidated Statement of Financial Position
as at 31 March 2023

	Unaudited 31 March 2023 \$'000	(Restated) Unaudited 31 December 2022 \$'000	(Restated) Unaudited 31 March 2022 \$'000
ASSETS			
Cash and Bank Balances	286,318	232,347	261,311
Investments			
Deposits	1,387,591	3,071,077	750,073
Securities			
Financial assets at fair value through other comprehensive income	611,028	625,952	731,138
Financial assets at fair value through profit and loss	6,954,845	7,206,141	8,866,229
Financial assets at amortised cost	453,003	451,996	307,227
Securities purchased under agreements to resell	1,172,741	432,724	1,115,149
Investment properties	10,366,853	10,398,827	10,063,152
Investment in associated companies (Note 2)	27,320,664	26,807,159	26,638,583
	48,266,725	48,993,876	48,471,551
Other Assets			
Taxation recoverable	171,676	167,428	91,429
Deferred tax assets	47,284	59,823	-
Prepayments and miscellaneous assets	2,586,486	1,663,644	3,217,032
Property, plant and equipment	5,412,575	5,329,958	3,964,401
Properties for development and sale	1,612,274	1,588,234	1,012,956
Intangibles	61,011	62,341	51,159
	9,891,306	8,871,428	8,336,977
	58,444,349	58,097,651	57,069,839
STOCKHOLDERS' EQUITY AND LIABILITIES			
Stockholders' Equity			
Capital and Reserves Attributable to the Company's Equity holders			
Share capital	2,141,985	2,141,985	2,141,985
Equity compensation reserve	119,372	136,438	127,355
Property revaluation reserve	5,895,083	5,866,583	5,477,054
Investment and other reserves (Note 2)	1,258,689	1,027,563	3,206,101
Retained earnings (Note 2)	33,103,169	33,381,841	30,286,609
Treasury stock	(180,072)	(103,143)	(130,892)
	42,338,226	42,451,267	41,108,212
Non-controlling Interest	388,908	383,349	341,335
	42,727,134	42,834,616	41,449,547
Liabilities			
Bank overdraft	10,541	20,665	15,197
Taxation payable	-	-	9,788
Loan liabilities	13,983,935	13,953,132	13,608,504
Lease liabilities	49,716	49,873	24,525
Deferred tax liabilities	-	-	311,880
Retirement benefit liabilities	241,004	234,161	681,198
Other liabilities	1,432,019	1,005,204	969,200
	15,717,215	15,263,035	15,620,292
	58,444,349	58,097,651	57,069,839



Stephen B. Facey
Chairman



Joanna A. Banks
Chief Executive Officer

PANJAM INVESTMENT LIMITED
and its subsidiaries
Unaudited Consolidated Statement of Changes in Equity
for the three months ended 31 March 2023

31 March 2022 (Restated)

-----Owners Of The Parent-----/

	Share Capital \$'000	Equity Compensation Reserve \$'000	Property Revaluation Reserves \$'000	Investment and Other Reserves \$'000	Retained Earnings \$'000	Treasury Stock \$'000	Non-controlling Interests \$'000	Total \$'000
Period ended 31 December 2021:								
Restated balance at 1 January 2022 (Note 2)	2,141,985	124,734	5,438,654	4,208,660	31,323,991	(135,900)	335,591	43,437,715
Comprehensive income								
Net profit	-	-	-	-	(323,795)	-	5,744	(318,051)
Other comprehensive income	-	-	-	(989,116)	-	-	-	(989,116)
Total comprehensive income for the period	-	-	-	(989,116)	(323,795)	-	5,744	(1,307,167)
Transactions with owners								
Employee share incentive scheme value of services provided	-	8,992	-	-	-	-	-	8,992
Employee share grants issued and options exercised	-	(6,371)	-	(13,568)	-	44,863	-	24,924
Dividends paid to equity holders of the company	-	-	-	-	(675,187)	-	-	(675,187)
Share purchase plan	-	-	-	125	-	31,168	-	31,293
Acquisition of treasury stock	-	-	-	-	-	(71,023)	-	(71,023)
Transfer of unrealised property revaluation gains	-	-	38,400	-	(38,400)	-	-	-
Balance at 31 March 2022	2,141,985	127,355	5,477,054	3,206,101	30,286,609	(130,892)	341,335	41,449,547

31 March 2023

-----Owners Of The Parent-----/

	Share Capital \$'000	Equity Compensation Reserve \$'000	Property Revaluation Reserve \$'000	Investment and Other Reserves \$'000	Retained Earnings \$'000	Treasury Stock \$'000	Non-controlling Interests \$'000	Total \$'000
Period ended 31 December 2022:								
Restated balance at 1 January 2023 (Note 2)	2,141,985	136,438	5,866,583	1,027,563	33,381,841	(103,143)	383,349	42,834,616
Comprehensive income								
Net profit	-	-	-	-	(11,117)	-	5,559	(5,558)
Other comprehensive income	-	-	-	323,369	-	-	-	323,369
Total comprehensive income for the period	-	-	-	323,369	(11,117)	-	5,559	317,811
Transactions with owners								
Employee share incentive scheme value of services provided	-	9,727	-	-	-	-	-	9,727
Employee share grants issued and options exercised	-	(26,793)	-	(91,670)	-	209,475	-	91,012
Dividends paid to equity holders of the company	-	-	-	-	(239,055)	-	-	(239,055)
Share purchase plan	-	-	-	(573)	-	2,288	-	1,715
Acquisition of treasury stock	-	-	-	-	-	(288,692)	-	(288,692)
Transfer of unrealised property revaluation gains	-	-	28,500	-	(28,500)	-	-	-
Balance at 31 March 2023	2,141,985	119,372	5,895,083	1,258,689	33,103,169	(180,072)	388,908	42,727,134

PANJAM INVESTMENT LIMITED
and its subsidiaries
Unaudited Consolidated Statement of Cash Flows
Three months ended 31 March 2023

	3-Months to 31 March, 2023 \$'000	(Restated) 3-Months to 31 March, 2022 \$'000
Net loss	(5,558)	(318,051)
Adjustments to reconcile net profit to cash flows provided by operating activities:		
Share of results of associated companies (Note 2)	(673,161)	231,800
Fair value gains on investment properties	(28,500)	(38,400)
Gains on foreign currency denominated investments	(28,720)	(638)
Other	390,235	144,717
	(345,704)	19,428
Changes in operating assets and liabilities		
Other assets	(34,568)	(130,678)
Other liabilities	411,310	17,870
Net disposal of financial assets at fair value through profit or loss	173,204	807,393
	204,242	714,013
Interest received	69,671	45,324
Income tax paid	(5,664)	(51,537)
Net cash provided by operations	268,249	707,800
Cash flows from investing activities		
Acquisition of property, plant and equipment	(67,079)	(526,203)
Proceeds from disposal of property, plant and equipment	-	731
Expenditure on properties for development and sale	(24,040)	(45,837)
Additional investment in associated company	(344,183)	(4,909)
Dividends from associated companies	-	20,388
(Acquisition)/disposal of investment securities, net	(41,953)	222,922
Net cash used in investing activities	(477,255)	(332,908)
Cash flows from financing activities		
Loans repaid	(24,451)	(23,798)
Interest paid	(221,828)	(203,483)
Other financing activities	(950)	(3,899)
Acquisition of treasury stock	(288,692)	(71,023)
Disposal of treasury stock	92,727	56,217
Dividends paid to equity holders	(239,055)	(604,607)
Net cash used in financing activities	(682,249)	(850,593)
Net decrease in cash and cash equivalents	(891,255)	(475,701)
Cash & cash equivalents at beginning of the period	3,434,477	2,503,301
Cash & cash equivalents at end of the period	2,543,222	2,027,600
Comprising of:		
Cash at bank and in hand	286,318	261,311
Short term deposits	1,093,403	662,293
Securities purchased under agreement to resell	1,174,042	1,119,193
Overdraft	(10,541)	(15,197)
	2,543,222	2,027,600

PANJAM INVESTMENT LIMITED
and its subsidiaries
Unaudited Consolidated Financial Information by Business Segments

31 March 2023

	Property Management & Rental \$'000	Investments \$'000	Hotel Management \$'000	Other Services \$'000	Eliminations \$'000	Total \$'000
REVENUE						
External	544,524	2,768	453,278	10,936	-	1,011,506
Inter-segment	52,299	104,693	-	-	(156,992)	-
Total Revenue	596,823	107,461	453,278	10,936	(156,992)	1,011,506
Segment results	130,184	(628,659)	105,799	9,244	-	(383,432)
Interest expense	(97,242)	(264,848)	-	-	85,006	(277,084)
	32,942	(893,507)	105,799	9,244	85,006	(660,516)
Share of results of associated companies	-	673,161	-	-	-	673,161
Profit/(loss) before taxation	32,942	(220,346)	105,799	9,244	85,006	12,645
Taxation	(5,133)	(13,116)	-	46	-	(18,203)
Net profit/(Loss)	27,809	(233,462)	105,799	9,290	85,006	(5,558)
Segment assets	19,718,413	17,385,903	353,333	231,899	(6,565,863)	31,123,685
Investment in associated companies	-	27,320,664	-	-	-	27,320,664
Total assets	19,718,413	44,706,567	353,333	231,899	(6,565,863)	58,444,349
Segment liabilities	7,662,155	13,963,770	627,022	30,131	(6,565,863)	15,717,215

31 March 2022 (Restated)

	Property Management & Rental \$'000	Investments \$'000	Hotel Management \$'000	Other Service \$'000	Eliminations \$'000	Total \$'000
REVENUE						
External	522,419	236,731	-	15,829	-	774,979
Inter-segment	8,278	95,784	-	-	(104,062)	-
Total Revenue	530,697	332,515	-	15,829	(104,062)	774,979
Segment results	148,932	99,551	-	(22,181)	-	226,302
Interest expense	(93,539)	(228,974)	-	-	81,151	(241,362)
	55,393	(129,423)	-	(22,181)	81,151	(15,060)
Share of results of associated companies (Note 2)	-	(231,800)	-	-	-	(231,800)
Profit/(loss) before taxation	55,393	(361,223)	-	(22,181)	81,151	(246,860)
Taxation	(12,861)	(58,377)	-	47	-	(71,191)
Net profit/(loss)	42,532	(419,600)	-	(22,134)	81,151	(318,051)
Segment assets	16,336,705	18,813,763	-	798,218	(5,517,430)	30,431,256
Investment in associated companies (Note 2)	-	26,638,583	-	-	-	26,638,583
Total assets	16,336,705	45,452,346	-	798,218	(5,517,430)	57,069,839
Segment liabilities	6,628,234	13,758,512	-	750,976	(5,517,430)	15,620,292

Notes to the Unaudited Consolidated Interim Financial Statements

31 March 2023

1. Basis of preparation

The unaudited consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The consolidated interim financial statements should be read in conjunction with the accounting policies as outlined in “Note 2” of the 31 December 2022 audited financial statements except for the adoption of International Financial Reporting Standards (“IFRS”) 17 – Insurance Contracts that became effective for PanJam Investment Limited (“PanJam”), its subsidiaries and associates, (the “Group”) for the financial year commencing 1 January 2023. Details of the adoption are provided in Note 2 below.

2. Prior year restatement

Effective 1 January 2023, the Group applied IFRS 17 – Insurance Contracts, which replaces IFRS 4 Insurance Contracts for accounting periods commencing on or after 1 January 2023 and establishes new principles for the recognition, measurement, presentation and disclosures of insurance and reinsurance contracts.

In accordance with the transition requirements of IFRS 17, Sagikor Group Jamaica Limited (“Sagikor”), a 30.2% associated company of PanJam, was required to restate its prior year financial statements. Please see Sagikor's published results for more information.

The significant impact of Sagikor's initial adoption of IFRS 17 on PanJam's results has required PanJam to also restate its prior year financial statements. This has resulted in reductions of \$9.4 billion and \$9.3 billion in the stated value of Investment in Associated Companies as at 31 March 2022 and 31 December 2022, respectively, and a \$1.4 billion reduction in the Share of Results of Associates Companies for the three-month period ended 31 March 2022.

3. Amalgamation of Business

In November 2022, PanJam entered into an agreement with Jamaica Producers Group Limited (“Jamaica Producers”) to acquire the core operating businesses of Jamaica Producers in exchange for 34.5% newly issued shares in PanJam. This was approved by shareholders at an Extraordinary General Meeting on 22 December 2022.

The transaction was completed on 1 April 2023 (subsequent to the Quarter 1 accounting period) and the company was subsequently renamed Pan Jamaica Group Limited. Accordingly, the unaudited consolidated interim financial statements at 31 March 2023 do not reflect the amalgamated position.

PAN JAM INVESTMENT LIMITED
10 LARGEST SHAREHOLDERS AS AT 31 MARCH 2023

<u>SHAREHOLDERS</u>	<u>STOCK HELD</u>	<u>OWNERSHIP</u> %
1 Boswell Investments Limited	344,361,400	32.30%
2 Sagicor Pooled Equity Fund	118,703,610	11.13%
3 National Insurance Fund	61,081,670	5.73%
4 Scotia Jamaica Investment Mgmt. A/C 3119	41,208,930	3.87%
5 Facey, Stephen and Wendy	36,699,703	3.44%
6 Guardian Life Limited	23,233,800	2.18%
7 ATL Group Pension Fund Trustees Nom Ltd	21,403,013	2.01%
8 NCB Insurance Company Ltd WT109	17,037,655	1.60%
9 JCSD Trustee Services Ltd - Sigma Equity	15,334,154	1.44%
10 Facey, Paul A.	14,982,042	1.41%
Total Top Ten (10) Shareholdings	694,045,977	65.10%
Other Shareholdings	372,113,913	34.90%
		100.00%
Total Issued Shares	1,066,159,890	
Total no. of stockholders	5318	

PANJAM INVESTMENT LIMITED
INTEREST OF DIRECTORS & SENIOR MANAGERS
AS AT 31 MARCH 2023

SHAREHOLDINGS OF DIRECTORS

<u>NAME</u>	<u>PERSONAL</u>	CONNECTED <u>PARTY</u>
CHRISTOPHER BARNES	113,680	NIL
PAUL FACEY	14,982,042	417,718,967
STEPHEN B. FACEY	36,699,703	393,982,225
PAUL HANWORTH	1,737,606	1,700,000
KATHLEEN MOSS	131,094	NIL
IAN PARSARD	255,225	NIL
T. MATTHEW PRAGNELL	169,927	NIL
ANGELLA RAINFORD	31,993	NIL
JOANNA BANKS	170,012	NIL

SHAREHOLDINGS OF SENIOR MANAGERS

<u>NAME</u>	<u>PERSONAL</u>	CONNECTED <u>PARTY</u>
PAUL FACEY	14,982,042	417,718,967
STEPHEN B. FACEY	36,699,703	393,982,225
CAMELIA NELSON	82,700	NIL
CLAUDETTE ASHMAN IVEY	54,627	NIL
KAREN VAZ	249,353	NIL
JOANNA BANKS	170,012	NIL
ERIC SCOTT	NIL	NIL
PHILLIP ARMSTRONG	90,000	NIL