



COMMERCIAL
CONTRACT
FURNITURE
MANUFACTURERS

PROSPECTUS & OFFER FOR SALE



Your Investment Place from  GraceKennedy



JFP | COMMERCIAL
CONTRACT
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MANUFACTURERS

PROSPECTUS & OFFER FOR SALE

Dated: February 11, 2022

Lead Broker
and Arranger

GK CAPITAL

Your Investment Place from GraceKennedy

JFP

COMMERCIAL
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MANUFACTURERS

A copy of this Prospectus was delivered to the Registrar of Companies for registration pursuant to Section 40 of the Companies Act of Jamaica, 2004 (as amended) and was so registered on January 14, 2022. The Registrar of Companies accepts no responsibility whatsoever for the contents of this Prospectus.

A copy of this Prospectus was also delivered to the Financial Services Commission ("FSC") for registration pursuant to section 26 of the Securities Act and was so registered on February 11, 2022. The FSC has not approved the offer of shares for which subscription is invited nor has the Commission passed upon the accuracy or adequacy of this Prospectus.

JFP Limited (*formerly Jamaica Fibreglass Products Limited*) invites Applications on behalf of itself and the Selling Shareholder for 280,000,000 ordinary shares in the Invitation, of which

- i. 140,000,000 are newly issued shares for subscription at \$1.00 per share; and
- ii. 140,000,000 are existing shares of the Selling Shareholder for sale at \$1.00 per share

to be subsequently listed on the Junior Market of the Jamaica Stock Exchange.

REGISTERED ADDRESS	155 Spanish Town Road, Kingston 11, Saint Andrew
TELEPHONE	1-876-758-7966
EMAIL	lsirgany@jfpmfg.com; mseaga@jfpmfg.com; ssirgany@jfpmfg.com
WEBSITE	https://www.jfpmfg.com

Note: All capitalised terms not defined within the body of this prospectus are defined in Section 2 herein (Definitions Used In This Prospectus)



Sangster International
Airport VIP lounge

INVITATION FOR SUBSCRIPTION

The Company is the agent of the Selling Shareholder in the Invitation for the purposes of acceptance of Applications to purchase the Sale Shares.

Up to **111,600,000** Shares in the Invitation (the “**Reserved Shares**”) are initially reserved for priority application from Applicants falling within the Employees Reserve Pool, GK Investments Reserve Pool and Key Partner Reserve Pool (“**Reserved Share Applicants**”) at a price of \$1.00 per Share.

If Reserved Shares in any of the abovementioned pools are not subscribed for by the persons who are entitled to them within the relevant pool, they will first become available for

subscription by persons in the other pools of Reserved Shares. If after that exercise has been completed in the allotment process, there are any all categories of Reserved Shares that are not fully subscribed for by the persons entitled to the said Reserved Shares will become available for subscription by the Non-Reserved Share Applications.

Kindly note that Jamaica Central Securities Depository Limited (JCSD) charges an application fee of \$172.50 (inclusive of General Consumption Tax) in respect of each application for Shares. This fee is subject to change at the discretion of JCSD.

SHARE CAPITAL

AUTHORISED ORDINARY SHARES

Issued Prior to Invitation	10,000,000,000
Maximum to be issued by the Company in the Invitation, fully paid	980,000,000
Maximum to be sold by the Selling Shareholder in the Invitation, fully paid	140,000,000
	140,000,000

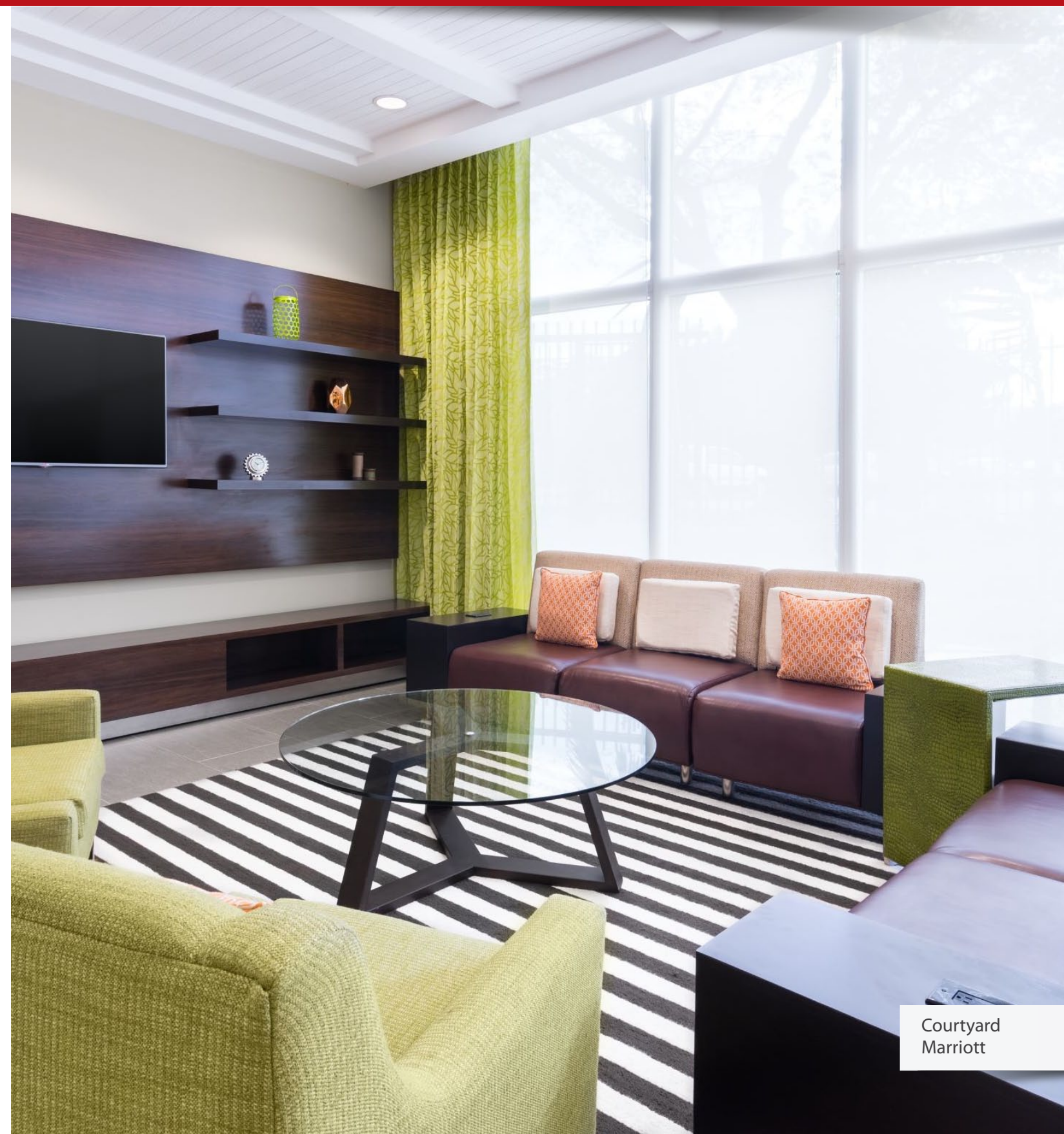
CONSIDERATION

Total consideration assuming all Shares in the Invitation are fully subscribed by the persons entitled to them:

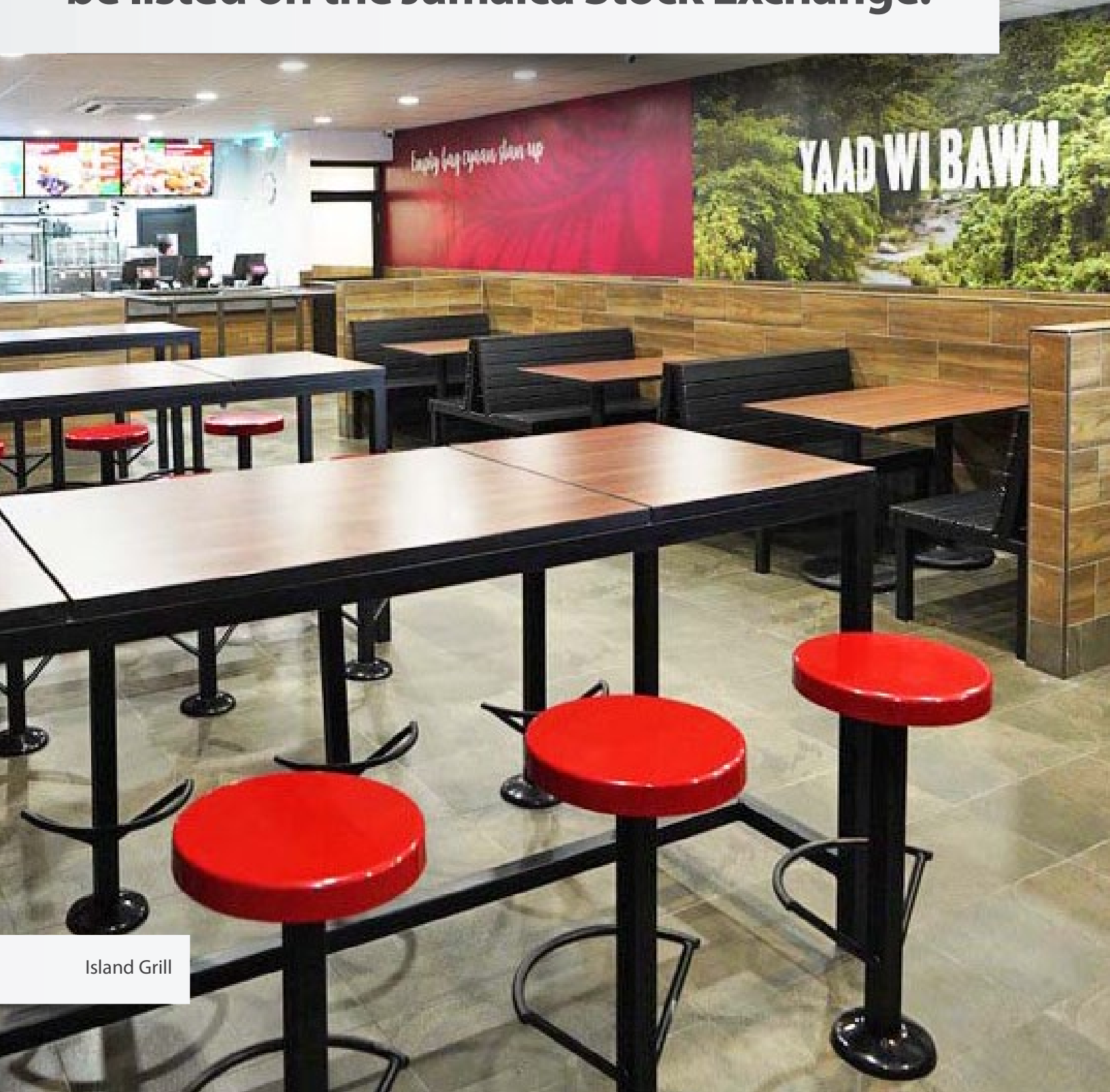
○ 10,000,000 shares in the Employees Reserve Share Pool at \$1.00 per Share	\$ 10,000,000
○ 40,000,000 shares in the Key Strategic Partners Reserve Pool at \$1.00 per Share	40,000,000
○ 61,600,000 shares in GK Investments Reserve Pool at \$1.00 per Share	61,600,000
○ 168,400,000 shares available in the Non-Reserved Share Pool at \$1.00 per Share	168,400,000

TOTAL CONSIDERATION

○ Due to the Company in respect of 140,000,000 Shares for subscription:	280,000,000
○ Due to the Selling Shareholder in respect of 140,000,000 Shares for sale:	140,000,000



“...the Company would have the distinction of being the first furniture and décor manufacturing company that is to be listed on the Jamaica Stock Exchange.”



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SECTION 1

IMPORTANT DISCLAIMERS

RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

The Directors of the Company whose names appear in Section 10 of this Prospectus have reviewed the contents of this Prospectus and accept full responsibility (both individually and collectively) for the information contained herein relating to the Company. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and no information has been omitted which is likely to affect the efficacy of the information contained herein.

Neither the Financial Services Commission nor any Government agency or regulatory authority in Jamaica has made any determination on the accuracy or adequacy of the matters contained in the Prospectus.

CONTENTS OF THE PROSPECTUS

This Prospectus contains important information for prospective investors in the Company. All prospective investors should read the Prospectus carefully and in its entirety before submitting an Application Form.

This Prospectus contains summaries which the Directors of the Company believe are accurate with respect to certain terms of certain documents. Prospective investors may wish to inspect the actual documents that are summarized, copies of which will be available as described in Section 17. Any summaries of such documents appearing in this Prospectus are qualified in their entirety by reference to the complete document.

The publication of this Prospectus shall imply that there has been no change in the business, results of operations, financial condition or prospects of the Company since the date of this Prospectus.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained in this Prospectus.

THE INITIAL PUBLIC OFFER IS MADE TO JAMAICAN RESIDENTS IN JAMAICA ONLY

This Prospectus is intended for use by Jamaican residents in Jamaica only and is not to be construed as an invitation to persons outside of Jamaica to subscribe for any shares in the Company. The distribution or publication of this Prospectus and the making of the invitation in certain jurisdictions outside of Jamaica is prohibited by law.

APPLICATIONS

This Prospectus is not a recommendation by the Company that prospective investors should submit an Application to subscribe for/purchase Shares in the Company. Prospective investors in the Company are expected to make their own assessment of the Company and the merits and risks of submitting an Application. Prospective investors are also expected to seek appropriate advice on the legal implications of submitting an Application, including but not limited to any tax implications.

Each prospective investor submitting an Application acknowledges and agrees that:

- (i) he/she has been afforded a meaningful opportunity to review the Prospectus and has received, all additional information considered by it to be necessary to verify the accuracy of the information contained in this Prospectus;
- (ii) he/she has not relied on the Company or any other persons in connection with its investigation of the accuracy of such information or its investment decision; and
- (iii) no person has made any representation concerning the Company or this Prospectus on which the Applicant has relied in submitting its Application.

SECTION 2

DEFINITIONS IN THIS PROSPECTUS

\$ - the lawful currency of Jamaica unless otherwise indicated.

Allotment - means the allotment of the Shares to successful Applicants by Jamaica Central Securities Depository Limited (JCSD), in its capacity as registrar and transfer agent of the Company, for and on its behalf.

Applicant - means a person (being an individual or a body corporate resident in Jamaica, whether a Reserved Share Applicant, or a Non-Reserved Share Applicant) who submits an Application in accordance with the terms and conditions of this Prospectus.

Application - means an application to subscribe for Shares (along with the full consideration for the Shares being subscribed for along with any applicable fees) in the Invitation made by a person who may lawfully participate in the Invitation, made:

- (i) using an properly completed Application Form delivered to the GK Capital Management; or
- (ii) using any other approved online application portal used by an Appointed or Selling Agent for the Invitation together with payment in full of the Subscription Price for the amount of Shares subscribed, using an Approved Payment Method and otherwise in compliance with the application procedures set out in Appendix 1 of this Prospectus

Application Form - means the Application Form to be completed by Applicants who wish to make an offer to subscribe for and or/purchase Shares in the Invitation which is set out in Appendix 1 herein.

Appointed Agent - means any such licensed securities dealers as the Company may appoint to act as a selling agent of the Invitation and which the Company shall specify by notice on the JSE's website and on the Company's website from the date of this Prospectus until the Closing Date.

Articles of Incorporation - means the Articles of Incorporation of the Company adopted on October 28, 2021 (and as amended by the shareholders of the Company from time to time).

Audit Committee - means the audit committee of the Board of Directors.

Auditor's Report - means the report of McKenley & Associates set out in Section 12.

Board of Directors - means the board of directors of the Company, details of which are set out in Section 10.

Business Day - means any day that commercial banks are generally open for normal banking business (not including Saturday, Sundays and public general holidays) in Jamaica.

CARICOM - means the Caribbean Community.

Closing Date - means the date of the closing of the invitation being February 28, 2022 (subject to the right of the Company to designate an earlier or later date).

Companies Act - means the Companies Act of Jamaica, 2004 (as amended).

Company - means JFP Limited (*formerly Jamaica Fibreglass Products Limited*), a company duly incorporated under the Laws of Jamaica, bearing company number: 27462, and whose registered office is located at 155 Spanish Town Road, Kingston 11, Saint Andrew.

Corporate Governance Committee - means the Corporate Governance, Remuneration and Nomination Committee of the Board of Directors.

Director - means a member of the Board of Directors.

Employees Reserve Pool - consists of employees who have been employed with the Company prior to the date of the Prospectus.

Forward Looking Statements - means the forward-looking statements referred to in Section 6 of the Prospectus, which are disclaimed by the Company on the terms and for the reasons set out therein.

FSC - means the Financial Services Commission of Jamaica, a statutory body corporate with its office at 39-43 Barbados Avenue, Kingston 5, Saint Andrew, Jamaica.

GK Capital Management - means GK Capital Management Limited, a limited liability company duly incorporated under the Laws of Jamaica, bearing company number: 87342 and whose registered office is located at 73 Harbour Street, KINGSTON and being, inter alia, the lead broker to the Company for the purposes of the Invitation.

GK Investments Reserve Pool - consists of GK Investments Limited, a limited liability company duly incorporated under the Laws of Jamaica, and whose registered office is located at 73 Harbour Street, KINGSTON.

Independent Non-Executive Director - means a member of the Board of Directors who is not related to any majority shareholder and is not employed to the Company.

Invitation - means the invitation to subscribe for up to 140,000,000 Shares including Reserved Shares and the invitation to purchase up to 140,000,000 Shares made by the Selling Shareholder on the terms and conditions set out in this Prospectus.

JSE - means the Jamaica Stock Exchange.

Junior Market - means the Junior Market of the JSE.

Key Strategic Partners Reserve Pool - means persons that the Company shall deem to be key and germane consists of stakeholders and supporters of the Company that the Company has determined, at its sole discretion, to be key and germane to its operations and/or this initial public offer such as: large suppliers, major customers as well as its professional advisors and consultants retained to facilitate the initial public offering and its business operations on an ongoing basis.

Main Market - means the Main Market of the JSE.

Non-Reserved Shares - means the Shares available for subscription in the Invitation, less the Reserved Shares.

Non-Reserved Share Applicants - means the Applicants who are not Reserved Share Applicants.

Non-Reserved Share Pool - means up to 168,400,000 Shares for Non- Reserved Share Applicants, save and except in the event of an oversubscription of Reserved Shares.

Opening Date - means the date on which the subscription list in respect of the Invitation opens, being 9:00 a.m. on February 21, 2022.

Prospectus - means this document, which constitutes a prospectus for the purposes of the Companies Act and the Securities Act (as amended).

Registrar - means Jamaica Central Securities Depository Limited (JCSD).

Reserved Share Applicants - means the persons (as referred to herein) who are entitled to subscribe for Reserved Shares in their respective categories, namely GK Investments Limited Reserve Pool, Key Strategic Partners Reserve Pool and Employees Reserve Share Pool.

Reserved Shares - means up to 111,600,000 Shares in the Invitation which are specifically reserved for application from, and subscription by, the GK Investments Limited Reserve Pool, Key Strategic Partners Reserve Pool and Employees Reserve Share Pool at the Subscription Price.

RTGS - means the Real Time Gross Settlement System implemented by the Bank of Jamaica.

Sale Shares - means up to the 140,000,000 Shares which are being sold on behalf of the Selling Shareholder.

Selling Shareholder - means JFP Property Investments Limited, a company duly incorporated under the laws of Jamaica on October 5, 2021, and having its registered office at 155 Spanish Town Road, Kingston 11, Saint Andrew.

Selling Agent - means each of the licensed securities dealers listed as a Selling Agent in Section 9 of this Prospectus, together with any Appointed Agent.

Shareholders - means subscriber of Shares in this Invitation as well as existing shareholder (as the case may permit).

Shares - means the 280,000,000 ordinary shares of no par value in the capital of the Company, inclusive of 140,000,000 shares that are offered by the Company and 140,000,000 shares that are being offered by the Selling Shareholder for subscription and/or purchase in the Invitation on the terms and conditions set out in this Prospectus, and the expression "Shares" shall include the Reserved Shares where the context permits and/or requires.

Subscription Price - means \$1.00 per Share as applicable payable in full on application.

USA - means the United States of America.

SECTION 3

LETTER TO PROSPECTIVE INVESTORS

February 11, 2022

Dear Prospective Investors,

The Company (on its own behalf and on behalf of the Selling Shareholder) is pleased to invite you to subscribe for and/or purchase 280,000,000 Shares in the capital of the Company on the terms and conditions set out in this Prospectus. Of those Shares, 140,000,000 are Sale Shares available for purchase from the Selling Shareholder for whom the Company acts as agent in the Invitation. The offer also includes 111,600,000 Reserved Shares.

If successful in its application to Jamaica Stock Exchange, the Company would have the distinction of being the first furniture and décor manufacturing company that is to be listed on the Jamaica Stock Exchange.

THE COMPANY

The Company derived its initial name, "Jamaica Fibreglass Products Limited", on incorporation thirty-six (36) years ago when it started manufacturing primarily fibreglass products. Today, the Company's product offerings far surpass what that name suggests, as it also offers products made from many varieties of material, such as: wood, metal, solid surface, acrylic and various types of upholstery and in recognition of this the Company changed its name officially to JFP Limited on December 3, 2021. The Company's manufacturing capabilities include, but are not limited to, the manufacturing of furniture for offices, hotels, restaurants and laboratories, schools, point-of-sale items (such as gondolas) and boasts many large companies in Jamaica and internationally as customers.

The Company has cemented itself as the preferred / approved furniture/ furnishing supplier for quick service restaurants such as KFC, Pizza Hut, Wendy's, Domino's and Mother's. The Company has also formed a strong relationship with Caribbean Coffee Baristas Limited, the Jamaican franchise holders for Starbucks which has been expanding rapidly throughout the region. These relationships have primed the Company to become one of the preferred manufacturers within the region.

The Company is committed to championing the 'Buy Jamaican, Build Jamaica' ethos. Therefore, by virtue of the Company's reputation for its dynamic manufacturing capabilities, the high quality of its products and its robust

export business, the successful listing of the Company on the Junior Market of JSE would serve as a beacon for the continued growth and development of Jamaica's manufacturing sector both locally and regionally. This as the Company sets its sight on expanding into the USA, CARICOM and South/Central American markets.

See Section 8 for more details about the Company's capabilities, products and customers. You are also invited to review the Management Discussion and Analysis in Section 11 and the Financials in Section 12 for more information on the Company and its performance to date.

THE INVITATION

In order to augment its capabilities in terms of product offerings, output and export, which requires more working capital, the Company (on its own behalf and on behalf of the Selling Shareholder) is seeking to raise approximately \$280 million by inviting subscriptions for up to 280,000,000 Shares from Reserved Share Applicants and Non-Reserved Share Applicants.

The subscription list opens at 9:00 a.m. on the Opening Date, February 21, 2022, and closes at 4:30 p.m. on the Closing Date, February 28, 2022, subject to the right of the Company to shorten or extend the time for closing of the subscription list in the circumstances specified in this Prospectus. If the Invitation is fully subscribed or is successful in raising at least J\$100 million for the benefit of the Company, the Company will make an application to the JSE for the Shares to be admitted to the Junior Market within one (1) week of the Closing Date (or the extended Closing Date, as the case may be). Please note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trading on the Junior Market.

The Invitation represents an opportunity for prospective investors to partake in the success of the Company. The Company is also pleased to announce the recent appointment of the following persons as members of the Company's Board of Directors:

1. Mr. Ian Levy, who has also been appointed as the Chairman of the Board of Directors of the Company and as a member of the Audit Committee;

2. Ms. Marie McMorris who has also been appointed as the Chairperson of the Company's Audit Committee;
3. Dr. Adrian Mitchell who has also been appointed as a member of the Company's Corporate Governance, Remuneration and Nomination Committee; and
4. Mrs. Julie Thompson-James who has also been appointed as the Chairperson of the Company's Corporate Governance, Remuneration and Nomination Committee and as a member of the Company's Audit Committee.

In light of collective qualifications and vast experience as a director of other listed companies, the Company intends to request a waiver of the requirement of the Company to appoint a Mentor pursuant to Rule 503(1)(a) of the Junior Market Rules.

If, however, the Invitation is not fully subscribed or the Company does not raise a minimum of J\$100 million for its own benefit as a result, the Company will not make an application for the Shares to be admitted to the Junior Market and all Applications will be returned to the persons who made them, along with any payments made in relation thereto. Similarly, if the Shares are not admitted to trading after the application for listing, all Applications will be returned in accordance with the terms and conditions set out in Section 19.

BENEFITS OF LISTING ON THE JUNIOR MARKET OF THE JAMAICA STOCK EXCHANGE

The Company believes that listing on the Junior Market will raise its profile while allowing it to raise funds in order to augment its productive capacity and product offerings. This will allow the Company to benefit from a lower cost of capital and higher economies of scale, thus assisting it in becoming even more competitive. This will also allow the Company to realise its strategic objective of the continuation of the expansion of its export business, which may eventually involve the Company operating additional work shifts.

In addition, the Company believes that the funds raised from the Invitation, if successful, will enable it to improve its balance sheet, its capacity to raise additional capital in the future (if required) and will strengthen the overall governance structure and practices of the business to the benefit of all stakeholders.

The Company further believes that listing will enable it to take advantage of a special concessionary tax regime for Junior Market companies provided that the Company remains listed for fifteen (15) years. In its first five (5) years on the Junior Market, the Company will not be liable to pay any corporate income tax. In years five (5) to ten (10) on the Junior Market, the Company will only be liable to pay corporate income tax at half the usual rate. Furthermore,

dividends paid by the Company to its Shareholders will not be subject to tax, and Shareholders will not be liable to pay transfer tax on the Shares either. See Section 18 of this Prospectus for further details of the concessionary tax regime for Junior Market Companies.

USE OF PROCEEDS

It is the Company's intention to use the proceeds to increase its working capital reserves to enable it to mobilize efficiently and take advantage of more opportunities for revenue and profit growth.

The Company also intends to use part of the proceeds of the fundraising to pay the expenses of the Invitation which, the Company estimates will not exceed J\$25 million (inclusive of financial advisory fees, brokerage fees, legal fees, auditor's fees, statutory fees (including Registrar's fees), initial listing fees and General Consumption Tax.

DIVIDEND POLICY

If the Company is admitted to the Junior Market, the Directors intend to pursue a liberal dividend policy that projects an annual dividend of between forty percent (40%) and eighty percent (80%) of net profits available for distribution, subject to the need for reinvestment in the Company from time to time.

HOW TO SUBSCRIBE FOR SHARES

Those investors who are interested in subscribing for Shares should read the Prospectus in its entirety and the terms and conditions of the Invitation set out in Section 19 and then complete the Application Form set out in Appendix 1 hereof.

The Directors hope that prospective investors will join the Company in this exciting new phase of its development.

Yours sincerely,
For and on behalf of the Company



Mr. Metry Seaga
Chief Executive Officer

SECTION 4

SUMMARY OF KEY INFORMATION ON THE INVITATION

The following summary information is derived from and should be read in conjunction with, and is qualified in its entirety by, the full text of this Prospectus, including the Appendix.

Recipients are advised to read this entire Prospectus carefully before making an investment decision about the transactions herein. Each recipient's attention is specifically drawn to the **Risk Factors** in Section 16 of this Prospectus and the disclaimers at the beginning of this Prospectus.

If you have any questions arising out of this document or if you require any explanations, you should consult your broker, licensed investment advisor, attorney-at-law, accountant or other professional advisor.

Approved Payment Method:

Either:

- (i) Manager's Cheque payable to **"GK Capital Management Limited"**;
- (ii) cleared funds held in a GK Capital Management account;
- (iii) transfer or direct deposit to GK Capital Management (details set out in the Application form attached herein); or
- (iv) any payment method as may be deemed appropriate by the Appointed or Selling Agent.

Absolutely no cash payments will be accepted.

Application Form: See **Appendix 1** of the Prospectus.

Arranger:

GK Capital Management Limited
58 Hope Road, Kington 6
Saint Andrew

Basis of Allotment: First come, first serve basis. However, where:

- a. the Applications for Reserved Shares exceed the total number of Reserved Shares available for allocation, then the Company, in consultation with the Arranger, reserves the right to allot the Reserved Shares to the Reserved Share Applicants on a pro rata basis.
- b. any of the Reserved Share pools is undersubscribed, the Reserved Shares therein will first become available for subscription by persons in the other pools of Reserved

Shares. If after that exercise has been completed in the allotment process, there are any categories of Reserved Shares that are not fully subscribed for by the persons entitled to the said Reserved Shares, these Reserved Shares will become available for subscription by the Non-Reserved Share Applicants; and

c. the Applications in Non-Reserved Share Pool exceed the total number of Non-Reserved Shares available for allocation in the Non-Reserved Share Pool, then the Company in consultation with the Arranger reserves the right to allot the Non-Reserved Shares to Non-Reserved Share Applicants on a pro rata basis.

Further and notwithstanding the Directors' intention to allot the Shares on the basis outlined herein, and to ensure fair and equitable allocation, the Directors' reserve the right, for convenience of operation and to facilitate early listing, to modify the allotment to subscribers on a basis to be determined by them in their sole discretion. In this case, Applicants may be allotted fewer Shares than they applied for.

Confirmation of Share Allotments: All Applicants may refer to the confirmation instructions that will be posted on the website of the Jamaica Stock Exchange (www.jamstockex.com) after the Closing Date (or the extended Closing Date, as the case may be).

Early Applications: All application forms must be submitted to GK Capital Management or an Appointed or Selling Agent, along with the requisite payment, in immediately available funds, at the locations set out in Section 19. Early applications may be submitted to GK Capital Management or the Appointed or Selling Agent.

SECTION 5

Any such applications will be received, but not processed until the Opening Date. All early applications will be treated as having been received at the same time, being 9:00 a.m. on the Opening Date, and shall be allotted pro rata. All other applications (that is, not early applications) will be received and processed on a first come, first served basis. *

Final Allotment and Admission of Shares to Junior Market: Within one (1) week of the Closing Date. **

Issuer: JFP Limited (formerly Jamaica Fibreglass Products Limited)

Minimum Subscription: 1,000 Shares, with increments of 1,000 Shares thereafter.

Oversubscription: In the event that subscriptions or applications are received for more Shares than the number of Shares available for subscription in this Invitation, the Company shall make allotments of the Shares and refunds, as applicable.

Reserved Share Applicants: In the event that subscriptions or applications are received for more Shares than the number of Shares available for subscription in this Invitation, the Company shall make allotments of the Shares and refunds, as applicable.

*The subscription list will close at 4:30 p.m. on the Closing Date subject to the right of the Company to (a) close it at any time after 9:00 a.m. on the Opening Date once the issue is fully sold and subscribed and (b) extend the Closing Date for any reason, subject to the provisions of section 48 of the Companies Act of Jamaica 2004 (as amended). In either case, notice will be posted on the website of the JSE (www.jamstockex.com).

**It is the intention of the Company to apply to the Board of the JSE for admission of the Shares to trading on the Junior Market. The application for admission is dependent on the Company's ability to (i) raise a minimum of J\$100 million for its own benefit with respect to the Shares in the Invitation made in the Prospectus and (ii) meet the criteria for admission set out in the Junior Market Rules. Please note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trading on the Junior Market. If, however, the Invitation is not fully subscribed or the Company does not raise at least J\$100 million for its own benefit with respect to the Shares in the Invitation, the Company will not make an application for the Shares to be admitted to the Junior Market and all applications will be returned to the persons who made them, along with any payments made in relation thereto.

*** Up to 111,600,000 Reserved Shares in the Invitation are reserved for priority Application from, and subscription by, the Reserved Share Applicants at the subscription price. If any category of the Reserved Shares is not subscribed for by the persons entitled to them, they will first become available for subscription by the other Reserved Share category. If after that exercise has been completed in the allotment process, all categories of Reserved Shares are not fully subscribed by the persons entitled to them, then said Shares will become available for subscription by the Non-Reserved Share Applicants.

Securities: 280,000,000 Shares (inclusive of Reserved Shares***) for subscription/purchase which consists of:
(i) 140,000,000 newly issued Shares; and
(ii) the sale of 140,000,000 Shares by the Selling Shareholder.

Selling Shareholder: JFP Property Investments Limited.

Subscription Price: \$1.00.

Terms and Conditions: See Section 19 of the Prospectus.

Timetable of Key Dates:
REGISTRATION OF PROSPECTUS AT THE COMPANIES OFFICE OF JAMAICA: January 14 ,2022.

REGISTRATION OF PROSPECTUS AT THE FSC: February 11 ,2022.

PUBLICATION OF PROSPECTUS: February 11, 2022.

OPENING DATE: 9:00 A.M. February 21 ,2022.

CLOSING DATE: 4:30 P.M. February 28 ,2022. See ** Below.

DETAILS OF APPLICATION PROCESS

An Application Form in respect of the Shares is provided at the end of this Prospectus (**Appendix 1**), together with notes on how to complete it for all applicants (both Reserved Share Applicants and Non-Reserved Share Applicants). The subscription list for the Shares will open at 9:00 a.m. on the Opening Date. Applications submitted prior to the Opening Date will be received, but not processed until the Opening Date. The subscription list for the Shares will close at 4:30 p.m. on the Closing Date, subject to the right of the Company to (a) close the subscription list at any time after it opens on 9:00 a.m. on the Opening Date once the issue is fully subscribed and (b) extend the Closing Date for any reason, subject to the provisions of section 48 of the Companies Act of Jamaica, 2004 (as amended).

In the event of an early closing of the subscription list, or an extension of the Closing Date, notice will be posted on the website of the Jamaica Stock Exchange (JSE) (www.

jamstockex.com). It is the intention of the Company to apply to the JSE for admission of the Shares (inclusive of Sale Shares) to the Junior Market. The application to the JSE is dependent upon the Company's ability to: (i) raise at least J\$100 million for its own benefit with respect to the Shares, respectively, in the Invitation; and (ii) meet the criteria for admission. Kindly note that this statement of the Company's intention is not a guarantee that the Shares will in fact be admitted to trading on the Junior Market. If, however, the Invitation is not fully subscribed and the Company does not raise at least J\$100 million with respect to the Shares in the Invitation, the Company will not make an application for the Shares to be admitted to the Junior Market and all applications will be returned to the persons making them, along with any payments made pursuant thereto.

Date of Prospectus	February 11 ,2022
Opening Date	February 21 ,2022
Closing Date	February 28 ,2022 (subject to the right of the Company to designate an earlier or later date in the circumstances set out in this Prospectus).
Statement of the Basis of Allotment	Within six (6) business days of Closing date.
Expected dispatch of investor statements and any refund if applicable	Within ten (10) days of Closing Date.
Listing of Shares	No more than five (5) business days after the Jamaica Stock Exchange approves the admission of Shares to the Junior Market.

SECTION 6

DISCLAIMER - FORWARD LOOKING STATEMENTS

Save for the historical financial data concerning the Company contained in this Prospectus, certain matters discussed in this Prospectus, including without limitation, statements of expectations, the discussions of future plans and financial projections, contain forward-looking statements. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made. Although the Directors believe that in making any such statements its expectations are based on reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Prospective investors in the Company are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they have been made. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

When used in this Prospectus, the words “anticipates”, “believes”, “expects”, “intends” and similar expressions, as they relate to the Company, are intended to identify those forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Company, and prior to the admission of the Shares to the Junior Market, the Company undertakes no obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Company’s financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory

requirements for such disclosure to be made). There are important factors that could cause actual results to differ materially from those in forward-looking statements, certain of which are beyond the Company’s control. These factors include, without limitation, the following:

- economic, social and other conditions prevailing both within and outside of Jamaica, including actual rates of growth of the Jamaican and regional economies, instability, high domestic interest rates or exchange rate volatility
- adverse climatic events and natural disasters
- unfavourable market receptiveness to any of the Company’s new products
- changes in any legislation or policy adversely affecting the revenues or expenses of the Company
- any other factor negatively impacting on the realisation of the assumptions on which the Company’s financial projections are based
- other factors identified in this Prospectus
- other factors not yet known to the Company

Neither the FSC, nor any Government agency or regulatory authority in Jamaica, has made any determination on the accuracy or adequacy of the matters contained in this Prospectus.

SECTION 7

THE INVITATION

GENERAL INFORMATION

The Company is seeking to raise up to J\$140 million from subscriptions for up to 140,000,000 Shares (including subscriptions from the Reserved Share Applicants for the Reserved Shares). The Company is also acting as an agent of the Selling Shareholder in inviting Applications for purchase for 140,000,000 Sale Shares in the Invitation at a price of \$1.00 per Share.

Up to 111,600,000 of the aforementioned Shares are specifically reserved for Application from, and subscription by, the Reserved Share Applicants. If any category of the Reserved Shares is not fully subscribed for by the persons entitled to them, they will first become available for subscription by the other Reserved Share Applicants. If after that exercise has been completed in the allotment process, all categories of Reserved Shares are not fully subscribed by the Reserved Share Applicants then said Shares will become available for subscription by Non-Reserved Share Applicants.

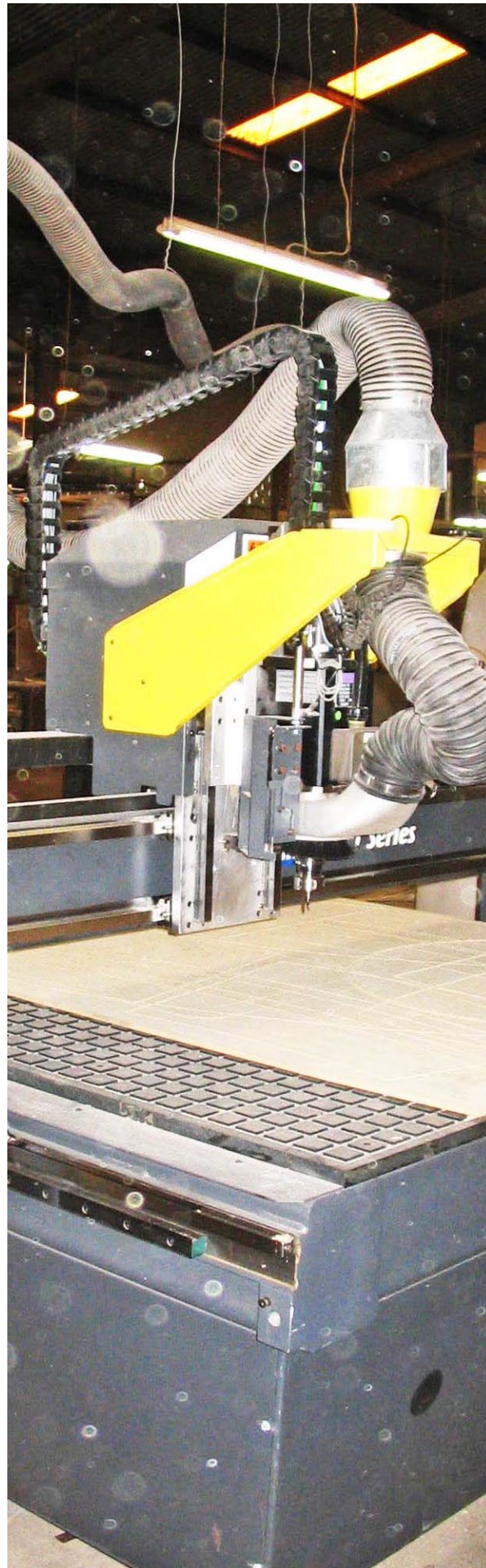
If the Invitation is fully subscribed or if the Company raises at least J\$100 million for its own benefit with respect to the Shares in the Invitation, the Company will make application to the JSE for the Shares to be admitted to the Junior Market as the case may be. If the application is successful, it is anticipated that the Shares will be admitted to trading within one (1) week of the Closing Date (or the extended Closing Date, as the case may be).

In the event that the Company does not raise at least J\$100 million respect to the Shares in the Invitation and/or the Shares are not admitted to trade on the Junior Market as the case may be, all Applications will be returned to Applicants, along with any payments made in relation thereto.

Prospective investors should read all of the sections referred to carefully together with the remainder of this document. Those prospective investors who wish to subscribe for and or/purchase Shares should also refer to the full terms and conditions set out in Section 19 before completing the Application Form set out in Appendix 1.



Starbucks Draxhall
Customer Service Area



MINIMUM FUNDRAISING

For the purposes of section 48 of the Companies Act the minimum amount which, in the opinion of the Directors, must be raised as a result of the Invitation and received by the Company as a result of the subscription of its Shares in the Invitation in order to provide for the matters set out in paragraph 2 of the Third Schedule to the Act is J\$100 million with respect to the Shares in the Invitation.

Further, pursuant to Junior Market Rule 502(1) as the invitation invites applicants to participate through subscription of new shares and by way of sale of existing shares, a minimum of J\$50 million or 50% of the funds raised (whichever greater) shall be directed for the benefit of the Company.

USE OF PROCEEDS

It is the Company's intention to use the proceeds to increase its working capital reserves to enable it to mobilize efficiently and take advantage of more opportunities for revenue and profit growth.

KEY DATES

The Application Forms for use by Applicants are provided at **Appendix 1** at the end of this Prospectus, together with notes on how to complete each. The subscription list for the Shares will open at 9:00 a.m. on the Opening Date: February 21, 2022, and will close at 4:30 p.m. on the Closing Date: February 28, 2022, subject to the right of the Company to (a) close the subscription list at any time after 9:00 a.m. on the Opening Date: February 21, 2022, once the issue is fully subscribed and (b) extend the Closing Date for any reason. In either case, the Company will arrange for an informational notice to be posted on the website of the JSE (www.jamstockex.com).

It is the intention of the Company to apply to the JSE for admission of the Shares to the Junior Market as the case may be. The application is dependent on the Company's ability to (i) raise at least J\$100 million for its own benefit with respect to the Shares in the Invitation and (ii) meet the criteria for admission. If such application is made and it is successful, the Company expects the Shares to be admitted to trading on the Junior Market as the case may be within one (1) to three (3) weeks of the Closing Date (or the extended Closing Date) and for dealings to commence on that date. In the event that the Shares are not admitted to trading on the Junior Market, as the case may, be all Applications received by the Company will be returned to Applicants and refunds made accordingly as set out in Section 19.

CONTACT DETAILS FOR KEY PERSONNEL IN THE INVITATION

Christina Millington

Assistant Vice President - Investment Banking
GK Capital Management Limited
Christina.Millington@gkco.com
(876) 932- 3696



Courtyard
Marriott

SECTION 8

INFORMATION ABOUT THE COMPANY

THE COMPANY AND ITS STRATEGIC GOALS

The Company was incorporated and established in 1985 as a contract furniture manufacturing company.

The Company's derived its initial name, "Jamaica Fibreglass Products Limited", on incorporation thirty-six (36) years ago when it started manufacturing primarily fibreglass products. As the Company evolved, so did its product offerings. The Company is now capable of manufacturing just about any item conceivable out of most materials including wood, metal, solid surface, acrylic and various types of upholstery and in recognition of this the Company changed its name officially to JFP Limited on December 3, 2021.

The products that the Company manufactures includes office furniture, furniture for hotels, point-of-sale items (such as gondolas), cabinetry, laboratories, seating, carts and planters. During the COVID-19 pandemic, the Company even produced testing booths for the Ministry of Health to assist with safe COVID-19 testing.

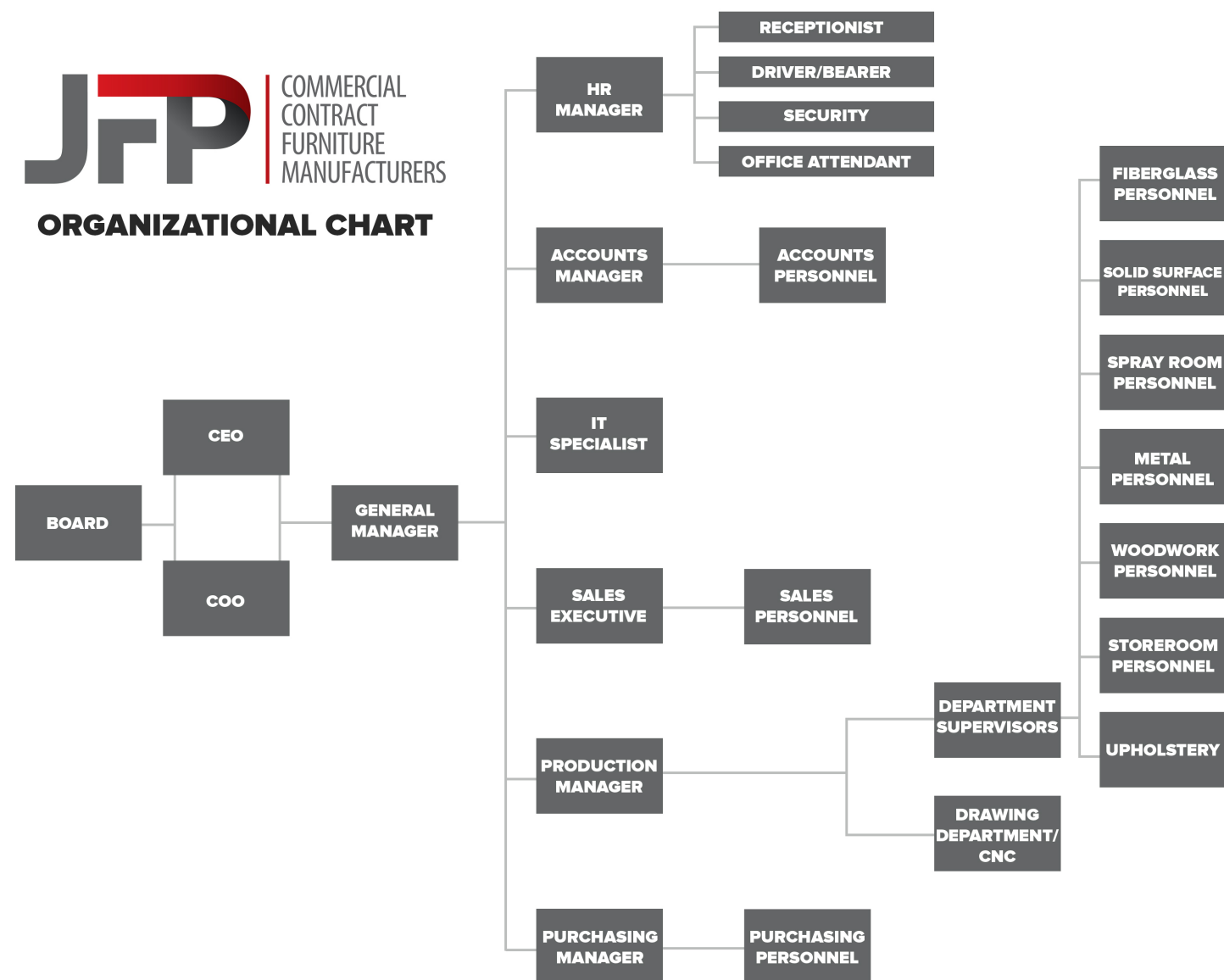
The Company has an exceptional record of on-time delivery and is on-par internationally with respect to its lead time on projects. Apart from raw material, the Company is virtually self-sufficient, as it is able to maintain its own equipment (including vehicles) in-house and manufactures most items used in its end-products, with very little being outsourced.

The Company occupies 75,000 sq. ft. of factory space and currently employs approximately seventy-five (75) persons full time, some of whom have been with the Company since its inception The Company also enjoys the benefit of full electricity redundancy as it operates fully on solar energy during daytime and has a backup generator for extraneous purposes.

The Company is also one of the largest contract furniture manufacturers in the Caribbean region, and its robust export business within the Caribbean region and impressive client base is further testament to its ability to provide quality products at competitive prices by international standards. The Company has the industry's most up-to-date equipment, such as computerized CNC Routers among others and it designs, develops, manufactures, installs, and offers after-sales service on all products sold, thus providing the customers with support for the life of the product.

The Company is also approved by the Public Procurement Commission to supply the Government of Jamaica with furniture and other custom-built supplies.

The Company is now poised to progress to the next level insofar as efficiency and capacity is concerned, whilst concurrently improving its balance sheet. It is with the assistance of this fundraising that the Company shall achieve these goals.



PRODUCTS

- Restaurant Décor Packages: tables, chairs, planters, garbage bins, counters, garbage bins, divider walls
- Office Furniture: desks, workstations, chairs, file cabinets, computer desks
- Hotel Furnishing: bed base with headboard, nightstands, luggage racks, tv units, desks, tables, chest of drawers, closets, sofa chairs, molding, valance, reception area furnishing
- Retrofit of Buses, ambulances
- Point of Sale Display: display units, charging stations

INCORPORATION AND TRADING HISTORY

The Company was incorporated on October 8, 1985. The Company has no parent or subsidiary companies.

The shareholders of the Company have approved and adopted new Articles of Incorporation with effect from October 28, 2021, and the re-registration of the Company as a public company.

DETAILS OF AUTHORISED AND ISSUED SHARE CAPITAL AND THE SHARES IN THE INVITATION

CAPITAL STRUCTURE OF THE COMPANY
As at the date of this Prospectus, the authorised and issued share capital of the Company is as follows:

Authorised: 10,000,000,000
Currently Issued: 980,000,000

The Shares in the Invitation will be both newly and previously issued shares (the latter being the Sale Shares).

SHAREHOLDINGS BEFORE AND AFTER INITIAL PUBLIC OFFERING AND OFFER FOR SALE OF SHARES

As at the date of this Prospectus, being the latest practicable date prior to publication of the Prospectus, the complete holdings of Shares in the capital of the Company were as follows:

NAME OF SHAREHOLDER	NUMBER OF SHARES BEFORE INITIAL PUBLIC OFFERING AND OFFER FOR SALE	PERCENTAGE OF SHAREHOLDING BEFORE INITIAL PUBLIC OFFERING AND OFFER FOR SALE
Richard Sirgany	279,720,000	28.5%
JKZ Limited ¹	280,560,000	28.6%
Eurobian Limited ²	279,720,000	28.5%
JFP Property Investments Limited ³	140,000,000	14.4%
Total	980,000,000	100.0%

After the subscription lists for the Invitation are closed, and assuming that the Invitation to the public and, Employees Reserve Share Pool, GK Investments Limited Reserve Pool and Key Strategic Partners Reserve Pool to subscribe to for up to 111,600,000 Shares is taken up in full, the percentage shareholdings in the Company will be as follows:

NAME OF SHAREHOLDER	NUMBER OF SHARES AFTER INITIAL PUBLIC OFFERING AND OFFER FOR SALE	PERCENTAGE OF SHAREHOLDING AFTER INITIAL PUBLIC OFFERING AND OFFER FOR SALE
Richard Sirgany	279,720,000	25.0%
JKZ Limited ⁴	280,560,000	25.0%
Eurobian Limited ⁵	279,720,000	25.0%
Employees Reserve Share Pool	10,000,000	0.9%
Key Strategic Partners Reserve Pool	40,000,000	3.6%
GK Investments Limited Reserve Pool	61,600,000	5.5%
Non-Reserved Share Pool	168,400,000	15.0%
Totals	1,120,000,000	100.0%

¹ Stephen Sirgany is a joint legal and beneficial owner of all outstanding shares in JKZ Limited, an International Business Company duly incorporated under the laws of Saint Lucia.

² Metry Seaga is the legal and beneficial owner of all of the outstanding shares in Eurobian Limited, an International Business Company duly incorporated under the laws of the British Virgin Islands.

³ Stephen Sirgany, Richard Sirgany and Metry Seaga are collectively the legal and beneficial owner of all outstanding shares in JFP Property Investments Limited, a company duly incorporated under the laws of Jamaica.

⁴ Stephen Sirgany is a joint legal and beneficial owner of all outstanding shares in JKZ Limited, an International Business Company duly incorporated under the laws of Saint Lucia.

⁵ Metry Seaga is the legal and beneficial owner of all of the outstanding shares in Eurobian Limited, an International Business Company duly incorporated under the laws of the British Virgin Islands.



Courtyard Marriott

THE APPLICABLE REGULATORY REGIME

The current business of the Company does not require it to be regulated as a bank, financial institution, insurer or otherwise as a regulated entity. The regulatory regime of the Company is set out below:

- a) The Company is registered under the Factories Act which regulates that all factories must seek certification/re-registration every three (3) years. The Company was re-registered under this Act effective June 13, 2019
- b) With the assistance of Jamaica Promotions Corporation (JAMPRO), the Company is an authorised exporter. This authorisation is renewable on an annual basis. The Company's current registration under this regime commenced in June 2021 and expires June 24, 2022.
- c) The Company is registered for Productive Inputs Relief (PIR) under the Customs Act for Manufacture of Good. Its current benefits under this regime commenced on May 11, 2021.
- d) The Company is also registered with the Public Procurement Commission (PPC) as an Approved Supplier in the Furniture Supplies category, which allows it to supply the Government of Jamaica with furniture supplies. This registration is renewable on an annual basis. The Company's current registration under this regime commenced on November 17, 2021.

The regulatory information referred to in this section will be available for inspection as described in Section 17.

INTELLECTUAL, REAL PROPERTY & BUSINESS NAME

As at the date of this Prospectus, being the latest practicable date prior to the publication of this Prospectus, the Company has the following interests in intellectual and real property:

INTELLECTUAL PROPERTY

This trademark was registered at the Jamaica Intellectual Property Office in classes 17, 18, 19, 20 and 37 on August 15, 2011, and was valid until December 7, 2020.

The said trademark was renewed for a period of ten (10) years as at December 7, 2020 and remains in force until December 7, 2030. A copy of the Certificate of Renewal of Trademark will be available for inspection as described in Section 17.



LITIGATION

As at the date of this Prospectus, being the latest practicable date prior to the publication of this Prospectus, the Company is not involved in any litigation, arbitration or similar proceedings pending and/or threatened against the Company.

INSURANCE ARRANGEMENTS

The Company has procured sufficient insurance coverage for all major risks that relate to its business. This includes:

CLASS OF INSURANCE	INSURER	DATE	DURATION
Commercial All Risks	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Computer All Risks	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Employers Liability	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Equipment "All Risks"	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Fire & Perils	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Goods in Transit	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Motorcycle Comprehensive	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Motor Vehicle Comprehensive	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Motor Vehicle Comprehensive	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Motor Vehicle Third Party	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Umbrella Excess Layer	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year
Public Liability Insurance	Insurance Company of the West Indies Limited	0.8. 18. 2021	One (1) year

Confirmation of the insurance arrangements referred to in this section will be available for inspection as described in Section 17.

REAL PROPERTY

As at the date of this Prospectus:

- i. The Company is the registered proprietor of a property duly registered in the Register Book of Titles at Volume 1169 Folio 756, and whose civic address is 155A Spanish Town Road, Kingston 11, Saint Andrew.
- ii. The Company entered into a sale and lease back arrangement with JFP Property Investments Limited for seven (7) parcels of land located at 155 Spanish Town Road, Kingston 11, namely six (6) separate lots being duly registered at Volume 1384 Folios 38-43 in the Register Book of Titles and one (1) lot registered at Volume 370 Folio 68. The effective date of commercial lease arrangement is December 10, 2021, the date of the completion of the sale.

CHARGES REGISTERED AGAINST THE ASSETS OF THE COMPANY

As at the date of this Prospectus, being the latest practicable date prior to the publication of this Prospectus, there are no charges registered against the assets of the Company.



Spanish Court Hotel

SECTION 9

PROFESSIONAL ADVISORS TO THE COMPANY



LEAD ARRANGER & LEAD BROKER
GK Capital Management Limited
73 Harbour Street
KINGSTON



ATTORNEYS TO THE COMPANY IN THE INVITATION
MH&CO., Attorneys-at-Law
7 Barbados Avenue (Second Floor)
Kingston 5
Saint Andrew



AUDITOR
McKenley & Associates
Chartered Accountants
2 Seymour Avenue, Unit 11
Seymour Park, Kingston 6



REGISTRARS AND TRANSFER AGENT
Jamaica Central Securities Depository Limited
40 Harbour Street
KINGSTON



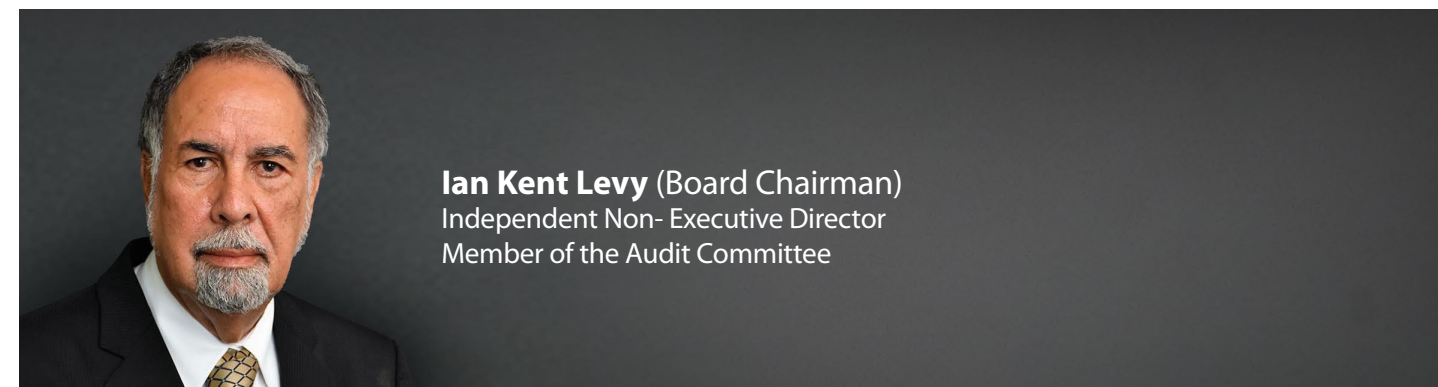
SELLING AGENT
NCB Capital Markets Limited
The Atrium,
32 Trafalgar Road, Kingston 10
Saint Andrew

SECTION 10

DIRECTORS AND SENIOR OFFICERS & THEIR INTERESTS

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SENIOR OFFICERS OF THE COMPANY

Brief biographical details of the Directors and Senior Officers (where applicable) are set out below. The Directors' residential addresses are set out in Section 18 hereto, and all of them may be contacted for business purposes at the Company's registered address at 155 Spanish Town Road, Kingston 11, Saint Andrew. **Telephone:** 1-876-758-7966
Website: <https://www.jfpmfg.com>



Ian Kent Levy (Board Chairman)
Independent Non- Executive Director
Member of the Audit Committee

Mr. Ian Levy is a founding member of the largest lottery and gaming business in Jamaica, Supreme Ventures Limited. An accomplished businessman, Mr. Levy serves as the Chairman of IAN K. (Agencies) Ltd., a highly successful company which has since 1978 negotiated several large contracts between French companies for and on behalf the Government of Jamaica thereby establishing a strong foreign trade and investment relationship. Mr. Levy is also Chairman of LHCC Perfect Homes Ltd., a development company specializing in the construction of high, medium and low-income housing throughout Jamaica.

In June 2005, Mr. Levy received the National Order of Merit (Chevalier de l'Ordre National du Merite) from the Government of France. He was also nominated for the Jamaica Observer Business Leader Award in 2006.

Mr. Levy has received three National Honours from the Government of Jamaica as he was conferred with the honour in the rank of Officer (OD) on October 15, 2012, in the rank of Commander (CD) on October 17, 2016, and the Order of Jamaica (OJ) on August 6, 2021.



Metry Seaga
Non- Independent Executive Director
Invitee of the Audit Committee

Mr. Metry Seaga is the Chief Executive Officer of the Company. He is a graduate of Florida International University which conferred upon him a Bachelor of Business Administration degree.

Mr. Seaga has been a director of the Company since its inception in 1985, and has been a director, and involved in the management of Compact Car Rental Limited, Compact Travel Agency Limited and CMM Holdings Limited.

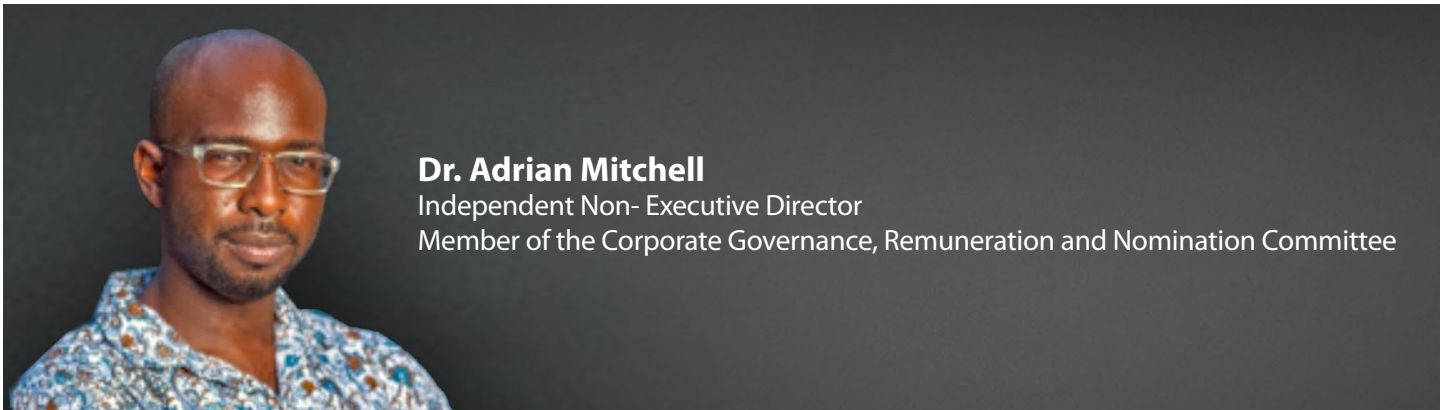


Stephen Sirgany
 Founder and Non- Independent Executive Director
 Member of the Corporate Governance, Remuneration and Nomination Committee

Mr. Stephen Sirgany is the Chief Operations Officer of the Company. It is through his management that the Company has become virtually self-sufficient in its operations. Mr. Sirgany has over thirty (30) years' experience in the manufacturing industry, with a special focus on fibreglass. He has been a director of the Company since its inception in 1985.

Mr. Sirgany was propelled into business by his passion for race cars. Having learned the trade of moulding fibreglass in Florida, he gained the experience to produce a body kit for his private car, which drew the attention of Alfa Romeo of North America. He was able to secure an order to provide those kits for their limited-edition car called the 'Maratona'. Developing new products and garnering

new customers within the automotive industry was, for Mr. Sirgany, intriguing. With his new vision and given the labour-intensive nature of the work and the size of the order, he opted to move to Jamaica. He joined forces with his cousin producing the interior of fridges as well as the body kits. He then manufactured three (3) prototypes of vending carts and filled them with merchandise, jerk chicken and cold drinks to showcase, for the opportunity of securing government tender. The determination to excite recipients with his creativity was high, so much so that he pushed them across the street from his workshop to make the presentation at Jamaica House. The presentation was well received, as the contract was awarded which saw the birth of Jamaica Fibreglass Products Limited, now JFP Limited.



Dr. Adrian Mitchell
 Independent Non- Executive Director
 Member of the Corporate Governance, Remuneration and Nomination Committee

Dr. Adrian Mitchell is a medical and business professional. A current Fellow in the Gynaecology and Oncology Programme at the University of the West Indies, Mona, Dr. Mitchell is responsible for diagnosing and treating patients with Gynaecological cancers, teaching medical students in gynae oncologic disorders and overseeing Residents and Senior House Officers in the gynaecology oncology unit. He is also a Partner/Gynaecologist at the Winchester Gynae Centre, where in addition to diagnosing and managing obstetric and gynaecological patients, he is also responsible for spearheading the implementation of technology into the practice by way of procuring efficient, technologically advanced equipment that negates the

need for outsourcing certain offices procedures, thereby increasing revenue and

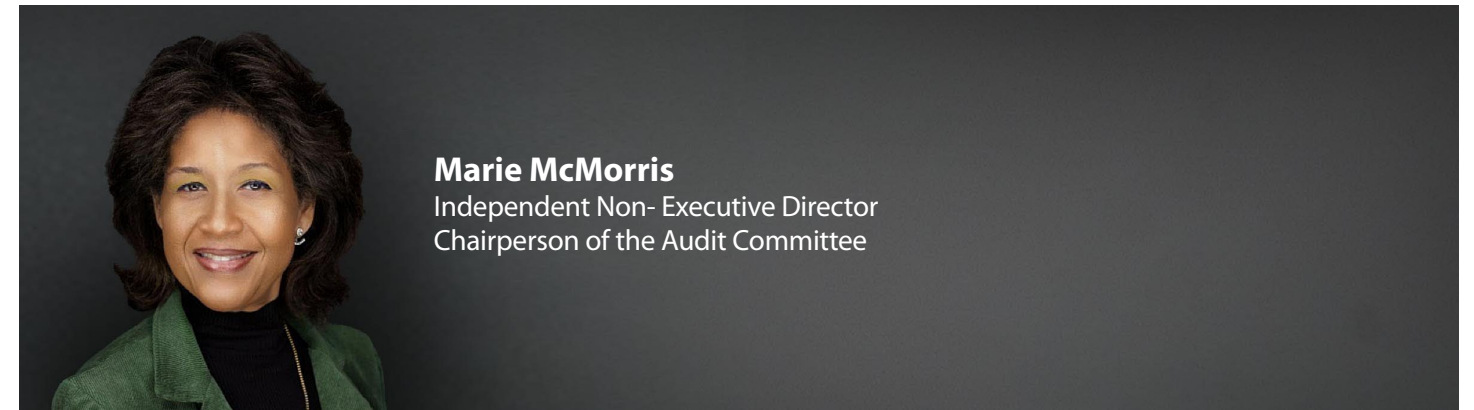
procuring a digital platform that allows for improved efficiency in the handling of patients dockets and time management of patient visits.

Dr. Mitchell is the Co- Owner and Co- Founder of BAM cosmetics. He is also the Co-owner and Co-Founder of MSS Cesspool and Sanitation Ltd, a porta-potty rental company that also specialises in the sanitisation of commercial and residential units, cesspool maintenance, corporate courier and bed and breakfast solutions in Montego Bay.



Richard Sirgany
 Non- Independent Non-Executive Director

Mr. Richard Sirgany has over thirty (30) years' experience in the manufacturing industry, with special focus on woodwork and metal fabrication. Mr. Sirgany was responsible for overseeing and managing the production process and lead times on the Company's projects until he retired in December of 2020.



Marie McMorris
 Independent Non- Executive Director
 Chairperson of the Audit Committee

Ms. Marie McMorris has over fifteen (15) years of experience working in diverse environments – television, broadcasting, financial, franchise development, tourism and entertainment & event production, and consistently demonstrates and ability to lead and develop teams. Ms. McMorris has consistently and successfully delivered new revenue streams to organizations and is a strong change agent focused on building customer focused entities. Ms. McMorris is exceptionally creative in crafting strategy and business solutions and business development opportunities.

Ms. McMorris graduated from the University of Miami with honours, where she was a member of Alpha Epsilon Rho (the National Broadcasting Honour Society) and was the first black female to win the School of Communication's Judy Wallace Director's Award. Fresh out of University, she entered the media market full of zeal and gained experience in both Radio and Television through her experiences with organizations such as WTMI, South Florida's leading Classical Music Radio Station in Sales and Marketing, WLRN-TV (PBS Miami, FL Affiliate) where she produced and hosted a television series entitled Caribbean Affair, WPLG Channel 10 (ABC Affiliate) where she gained experience as a Promotions Coordinator and with JBC

Radio (Kingston, Jamaica) where she Co-produced and hosted a Radio Program entitled "Breakthrough" for Wint, Ltd., for whom she also served as an Associate Producer/Writer for the popular television series "Tuesday Forum".

In 2013, Ms. McMorris spent a six (6) month consulting role with the RJR/Gleaner Communications Group, re-launching and redesigning the company's Cable Operations division and developing and launching the channel's new television programming strategy and developed and produced original programs. Shortly after completing her tenure there, Ms. McMorris was made an offer by Tuff Gong International to return in the role of consulting General Manager and Executive in Charge of Production for film and television projects, for the prestigious company. Her portfolio was also expanded shortly thereafter, to include the Bob Marley Foundation, Bob Marley Museum, One Love Café and Tuff Gong Pictures as she merged into the role of General Manager of the Marley Group of Companies, for Jamaica where she completed a tenure of seven (7) years.

Ms. McMorris now practices as an International Business Development & Change Management consultant & Freelance Executive Producer; operating out of Miami, Florida & Kingston, Jamaica.



Julie Thompson- James
Independent Non- Executive Director
Chairperson of the Corporate Governance, Remuneration and Nomination
Committee and Member of the Audit Committee

Mrs. Thompson-James is an Attorney at Law and founder of Cube Corporate Support Limited, a corporate governance advisory firm supporting the growth of small and medium sized companies in Jamaica that are privately held or publicly listed. Mrs. Thompson-James' experience spans both the public and private sector. In the public sector, she served as Corporate Secretary and Legal Counsel to the Financial Sector Adjustment Company Limited, a private company of the Government focused on rehabilitation of the failed financial institutions. Her public sector service also saw her in the role of Assistant Attorney General, Attorney General's Chambers, Litigation Division, Ministry of Justice.

Mrs. Thompson-James has held progressive roles in the private sector with Scotia Group Jamaica Limited inclusive of Vice President, Business Support, Caribbean Central. In the role as Regional Head, she contributed to an improved internal control environment, stringent Third-Party Relationship Management, Business Process Improvement and oversight for operational efficiency and effective expense management initiatives. Prior to that role, Mrs. Thompson-James held the positions of Senior Legal Counsel & Corporate Secretary with responsibility for General Legal Advice and Counsel, Corporate Services and Compliance for Scotia Group and its subsidiaries.

Mrs. Thompson-James holds a Bachelor of Laws (LLB), (Hons.) from the London School of Economics, London,

England; Certificate of Legal Education from the Norman Manley Law School, University of the West Indies, Kingston, Jamaica and a Bachelor of Arts degree in Economics & Business Administration (Hons.) from Howard University, Washington, D.C., U.S.A. Her legal experience over the last nineteen (19) years included the following significant areas of practice:

- Complex Commercial & Civil Litigation;
- Banking, Insurance and Securities law – commercial loans, capital market transactions and debt restructuring and assignment; and
- Company Law, Corporate Governance and Shareholder engagement.

Mrs. Thompson-James is a former Associate Tutor of the Norman Manley Law School, University of the West Indies, Mona, Jamaica and former deputy Chair of JETS Limited (operator of the Multilink network). She is a member of the National Insurance Fund Investment Management Review Commission, a Director of the Students' Loan Bureau and a Director of Allied Insurance Brokers Limited.

Mrs. Thompson-James has also published several articles including: *The Financial Gleaner (Jamaica)*, *Survival of the Small Business*, the *In-House Counsel Journal (United Kingdom)*, *Role of the Corporate Secretary in the 21st Century*, *JamBar Magazine*, *Secured Lending*.

DIRECTORS' INTERESTS IN SHARES

The following Director hold the following interest in Shares:

DIRECTOR	SHAREHOLDING BEFORE OPENING DATE
Richard Sirgany	28.5%
JKZ Limited ⁶	28.6%
Eurobian Limited ⁷	28.5%
JFP Property Investments Limited ⁸	14.4%
Total	100.0%

No Director receives Shares, or option in respect of Shares in consideration of services rendered by him/her to the Company.



Mother's Dining Area

CORPORATE GOVERNANCE AND ACCOUNTABILITY

The Board of Directors has constituted two (2) committees, namely the Audit Committee and the Remuneration Committee, as required pursuant to the provisions of the Junior Market Rules and has additionally constituted a Corporate Governance Committee, although not required by the Junior Market Rules. The members of the respective committees are as follows:

AUDIT COMMITTEE	CORPORATE GOVERNANCE, REMUNERATION AND NOMINATION COMMITTEE
Ms. Marie McMorris (Chairperson)	Mrs. Julie Thompson- James (Chairperson)
Mrs. Julie Thompson- James	Dr. Adrian Mitchell
Mr. Ian Levy	Mr. Stephen Sirgany

In addition, the Company has appointed McKenley & Associates, Chartered Accountants to provide it with external audit services.

DIRECTORS' FEES AND EXECUTIVE EMOLUMENTS

Members of the Board of Directors will receive a fee of \$75,000.00 per Board Meeting and an additional fee of \$25,000.00 per subcommittee meeting attended.

⁶ Stephen Sirgany is a joint legal and beneficial owner of all outstanding shares in JKZ Limited, an International Business Company duly incorporated under the laws of Saint Lucia.

⁷ Metry Seaga is the legal and beneficial owner of all of the outstanding shares in Eurobian Limited, an International Business Company duly incorporated under the laws of the British Virgin Islands.

⁸ Stephen Sirgany, Richard Sirgany and Metry Seaga are collectively the legal and beneficial owner of all outstanding shares in JFP Property Investments Limited, a company duly incorporated under the laws of Jamaica.

SECTION 11

MANAGEMENT DISCUSSION AND ANALYSIS

DISCUSSION

The Management Discussion and Analysis contains detailed information important to prospective investors understanding the Company's results and financial condition and should therefore be read in its entirety.

COMPANY OVERVIEW

The Company is a contract furniture manufacturer for its commercial and government clients. The Company manufactures desks, chairs, beds, tables and other furniture items for a wide gamut of industries. The Company has solidified itself as a premier supplier within the hospitality industry quick service restaurants/casual dining, commercial/office space and point of sale display. Beyond this, the Company demonstrates its unique ability to provide custom-made furniture solutions by taking commercial vans/buses for companies and retrofitting them into offices, hospitals, ambulances and workspaces. This segment of the Company's business has shown real growth potential as businesses seek to diversify the way they conduct business whilst reducing their expenditure.

The Company operates a one stop shop, which encompasses a 75,000 sq. ft. facility giving the Company a unique and distinctive advantage of being able to monitor its customers' projects from start to finish. The Company engages in minimal outsourcing, which allows the Company to take full control of all aspects of a project allowing it the advantage of managing budgets and delivery times. With its factory being in Jamaica, the Company is centred in the heart of the logistics hub of the Americas. The Caribbean Basin Initiative has given the Company the opportunity to export into the USA duty free and it will be exploring the establishment of agent agreements throughout the USA, CARICOM and South/Central American markets.

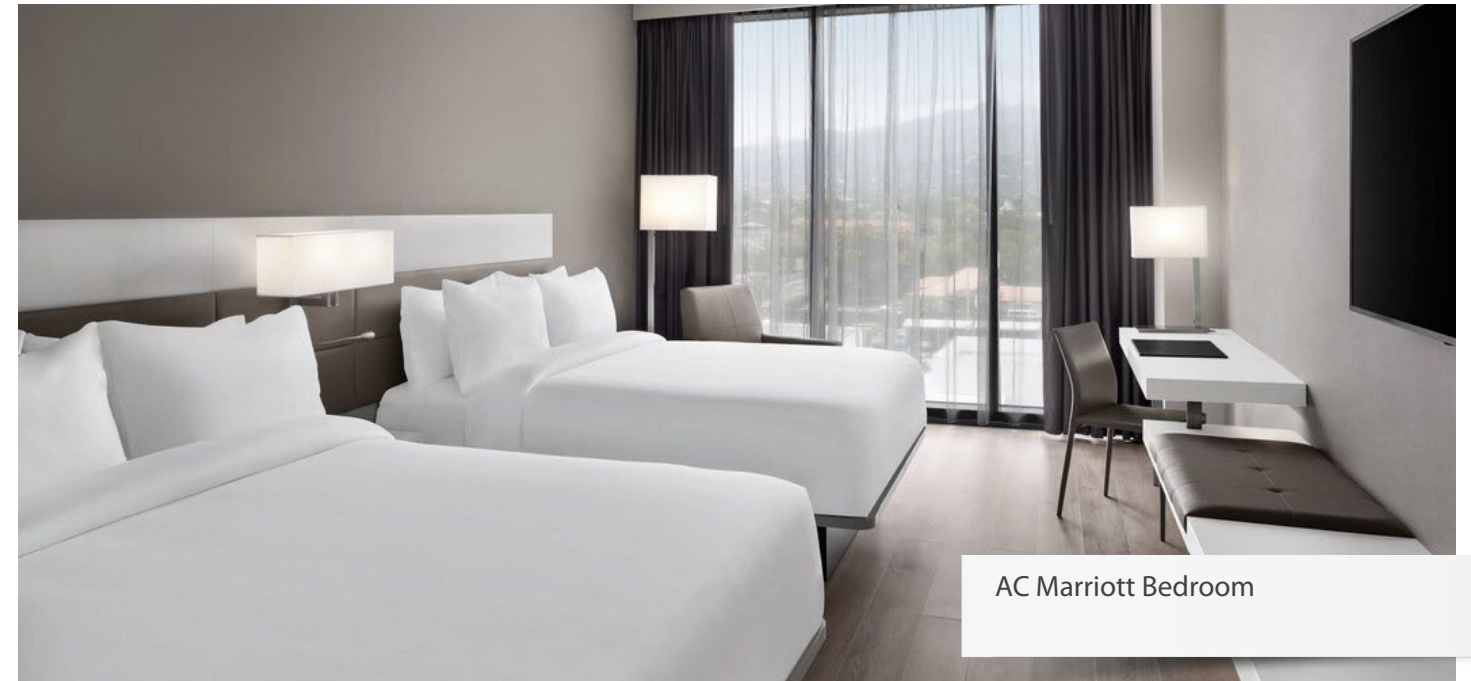
Over its thirty-six (36) years of existence, the Company has provided its services to several large companies and agencies, across a broad spectrum of industries in Jamaica and the Caribbean. It is typical that once a customer has given the Company an opportunity to serve them, they become customers for life which has resulted in a high level of repeat business for the Company. Additionally, the customer satisfaction received by several of the Company's customers has resulted in the Company being selected as a preferred supplier for many of the quick service restaurants locally and in the Caribbean.

Some of the Company's customers include:

- Passport, Immigration and Citizenship Agency (PICA)
- Marriott Hotels – AC and Courtyard Marriott
- Restaurants of Jamaica – KFC, Pizza Hut
- Gara Restaurants Limited- Wendy's
- Chicken Mistress Limited - Island Grill
- Mother's Enterprises Limited
- Caribbean Coffee Baristas Limited – Starbucks
- Prestige Holdings Ltd (Trinidad) – KFC, Pizza Hut, TGIF
- RJR
- Digicel
- Flow
- The Bank of Nova Scotia Jamaica Limited
- National Commercial Bank Jamaica Limited
- Spanish Court Hotel
- S Hotel Montego Bay

Historically, the Company's revenues have been derived from the hotel industry, government agencies and restaurants. Combined, these three (3) industries have been the source of an average of 72% of revenues for the past five (5) years with one third of the Company's revenues being earned from the restaurant industry.

To ensure high levels of customer satisfaction, the Company employs a collaborative approach to doing business with its customers. At the end of each year, the Company meets with its customers to plan for the upcoming period(s). This fosters excellent client relations and allows both the Company and its customers to be aligned in relation to the various deliverables as well as facilitates the Company's the ability identify any needs the customers may have.



AC Marriott Bedroom



Spanish Court Hotel Lounge Area

Locally, the pipeline of contracted orders for the 2022 financial year remains robust as evidenced by the Company being awarded a substantial contract to provide furnishing for the Montego Bay Jamaica – Sangster International Airport (MBJ). In November 2021, the Company completed an order with FLOW for their new location in Montego Bay and have numerous other jobs coming onstream.

Furthermore, the Company has also engaged two (2) international sales agents whose primary focus is the USA and the Nassau, Bahamas market. This will allow the Company to ramp up its presence in those markets and engage in direct contact sales to targeted companies in the hotel and restaurant industries.

The Company also focuses on staff training and development. In its drive to serve its customers using the most recent and innovative technologies, management ensures its staff are appropriately trained. The staff regularly attend trade shows of many major restaurant brands and hotel investment conferences. These trade shows not only allow the Company to garner new business and to foster new relationships with suppliers and buyers, but they also allow the Company to keep abreast of new techniques, processes, machinery, and equipment which allows the Company to continuously improve its production efficiencies to remain competitive.

OUTLOOK

The Hotel Industry

Going forward, the Company anticipates significant tailwinds for revenues to materialize from its hotel segment, as according to the Jamaican Information Service, there are some 7,500 new hotel rooms to be built in Jamaica over the next two (2) years⁹. These hotels will require furniture for rooms, lobbies, restaurants, beaches, common areas and staff facilities. Given the Company's wealth of experience operating in this sector over the years, it expects to be a top competitor in this space.

The tourism industry has been driving Jamaica's economic growth. Following the development of resilient corridors and increased vaccination efforts in Jamaica's main source markets, there has been an uptick in the sector's performance. According to the Planning Institute of Jamaica ("PIOJ"), for the July – September 2021 quarter, the hotels and restaurant industry grew by 114.7% when compared to the prior period in 2020. This growth in the sector was attributable to increased stopover visitor arrivals and the resumption of cruise ship calls in August 2021. Against the backdrop of a steady inflow of tourists, the country is anticipated to end 2021 with an excellent showing of 1.6 million visitors and over US\$2 billion in earnings¹⁰.

The positive momentum is sustainable in the near term as numerous direct weekly flight routes to Jamaica are introduced across Europe, North America and even the Middle East. Tourism Minister, Hon. Edmund Bartlett explained Jamaica is currently undergoing its biggest hotel and resort development boom in any single year. A total of US\$2 billion will be invested over the next two (2) years, predominantly by European investors, to construct approximately 8,000 hotel rooms across the island. Given the increased optimism, the tourism is forecasted to see further growth in 2022¹¹.

The rebounding of the tourism industry coupled with the construction of new hotel rooms has presented opportunities for the Company to continue on its growth trajectory.

Quick Service Restaurant/Casual Dining

The last five (5) years has seen an explosion with the numbers and types of restaurants establishing their brands in Jamaica. The established brands such as KFC, Pizza Hut, Wendy's, Domino's and Mother's to name a few are expanding rapidly as competition is driving each brand to establish dominance by establishing additional locations. This is further demonstrated by the Starbucks

brand which has its master franchise for the Caribbean in Jamaica and has been expanding rapidly throughout the region. Presently, Starbucks has five (5) locations in Jamaica, of which the Company has serviced all five (5). The Company has a strong relationship with Caribbean Coffee Baristas Limited the Jamaican franchise holders for Starbucks and are their preferred/approved furniture/furnishing supplier.



Toyota Jamaica Reception Desk

Commercial/Office Space

Jamaica's business processing outsourcing ("BPO") sector has grown from employing 12,000 persons in 2011 to 43,000 in December 2019. The BPO sector continues to grow as evidenced by the 15% increase in the number of jobs with 44,000 as at June 30, 2021, compared to the prior corresponding period¹². With the development and growth in the BPO sector expected to continue for years to come this segment of the market is expected to provide key opportunities for the Company.

Commercial projects completed by the Company under the BPO industry are:

- Itel BPO
- Teleperformance
- Business Process Industry
- Advantage Communication

Commercial projects completed by the Company (point of sale displays) are:

- Flow
- Digicel



Starbucks Draxhall Customer Service



S Hotel Bedroom



PICA Mobay service booths



KFC Restaurants

⁹ <https://jis.gov.jm/7500-hotel-rooms-coming-on-stream/>

¹⁰ <https://www.mot.gov.jm/news-releases/bartlett-anticipates-strong-winter-tourist-season>

¹¹ <https://www.mot.gov.jm/news-releases/jamaica-experiencing-biggest-hotel-development-boom-any-one-year>

¹² <https://jis.gov.jm/jobs-increase-by-15-in-bpo-sector/>

FIVE (5) YEAR FINANCIAL REVIEW

Revenues

For the financial year (FY) ended December 2020, the Company earned of J\$442.8 million in revenues. This was 12.1% below the prior year's outturn of J\$503.7 million.

The decline in revenues for the period 2016 to 2018 were due to delays in contracts and more specifically in the 2020 FY due to the onset of the COVID-19 pandemic in 2020. The most significant increase in revenues occurred in the 2019 FY, where revenues more than doubled compared to the year before. This came as a result of the Company gaining a contract with Spanish Court Hotel, S Hotel Mobay and AC Marriott. Over the past five (5) years, revenues have grown at a compound annual growth rate (CAGR) of 11.6% from J\$285.5 million in 2016 to J\$442.8 million in 2020.

Gross Profits

Gross profits for the 2020 FY were J\$232.7 million and were flat compared relative to the year prior. Despite the downturn in revenues for the year, gross margins increased from 46.5% in the 2019 FY to 52.5%. The improved margins were due to a reduction in staff complement and the Company streamlining its importation process as well as sourcing material locally where possible. Over the past five (5) years, gross margin has averaged 51.9%. The current rapid increases in commodity prices as well as shipping costs has seen the Company experiencing higher prices for inputs such as lumber. The Company has been addressing this by supplementing its inventories with local purchases as it continues to pursue new technologies to improve its overall efficiency.

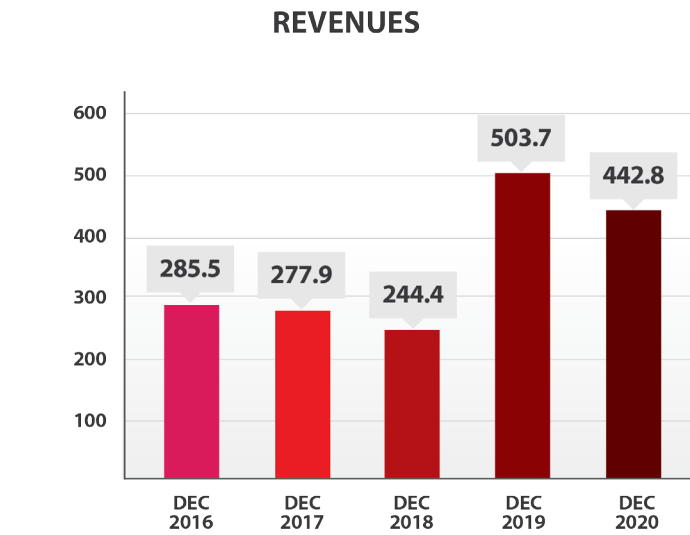


Fig. 1: Annual Revenues (J\$M)

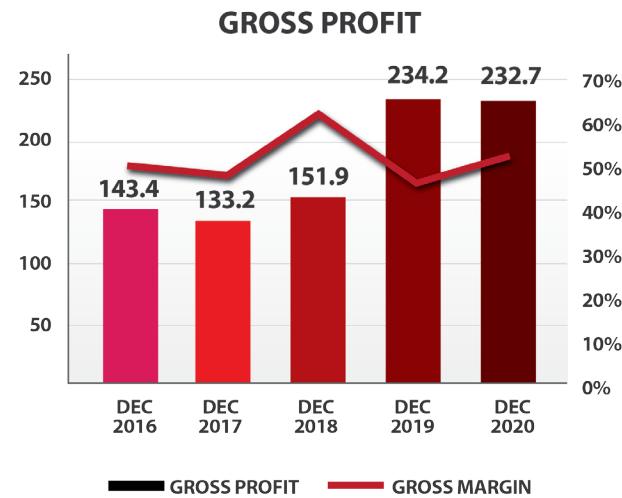


Fig. 2: Gross Profits (J\$M) and Gross Margins

“The rebounding of the tourism industry coupled with the construction of new hotel rooms has presented opportunities for the Company to continue on its growth trajectory.”

“...operating expenses have been relatively consistent over the past five (5) years...”

Expenses

The Company incurred total operating expenses of J\$147.7 million in the FY ended December 2020. This level of operating expenses was below the prior year by 8.8%. During the year, the Company had reduced its staff complement from ninety (90) staff members in 2019 to seventy-eight (78) staff members, which contributed to lower staff costs, the major contributor to the lower operating expenses. In addition to the decreases in staff complement, the Company has streamlined its operations to allow for greater efficiency. To improve efficiency, the Company has invested heavily in additional equipment which has reduced the time spent on cutting and assembly as well as the amount of human error involved in the manufacturing process. Additionally, the Company had also engaged a consultant in 2019, who provided methods to streamline the factory operations, conducted additional staff training and placed updated signage in the factory. This allowed the Company to reduce its staff complement whilst still maintaining its productivity. Staff costs are typically the largest component of the Company's operating expenses. Staff costs fell by J\$7.1 million or 10.9% compared to the 2019 FY, to total J\$58.1 million for the 2020 FY.

The majority of the Company's costs are fixed in nature, and as a result, operating expenses have been relatively consistent over the past five (5) years compared to the corresponding changes in revenue. As a result, the more than doubling of

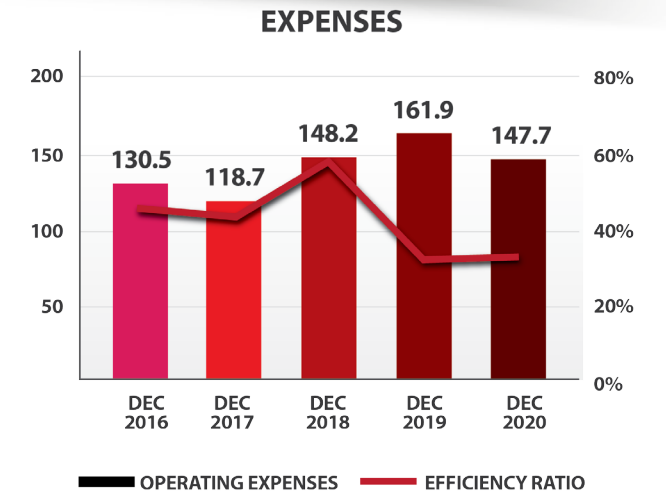


Fig. 3: Operating Expenses and Efficiency Ratio

revenues in the 2019 FY was accompanied by a 10.0% increase in operating expenses (mostly attributable to staff costs). This culminated in the efficiency ratio declining from 58.4% in 2018 to 31.7% in 2019. For the 2020 FY, the efficiency ratio was 32.7%; well below the five (5) year average of 42.2%.

Finance costs fell year over year by 3.5% to J\$10.3 million as a result of lower bank charges and losses on foreign exchange.

Operating Profits

The operating profits were J\$93.4 million in the 2020 FY, improving by 17.2% compared to the prior year. Despite the lower revenue outturn for the year, the improved gross margins and efficiency have culminated in higher operating profits and margins in 2020. Operating profits increased over six-fold between the 2018 FY and the 2019 FY. The operating margin tripled over the same period to 15.8% for the 2019 FY. The improvement in operating profit and margins came as a result of the doubling of revenues over this period in conjunction with a mere 9.2% increase in operating expenses.

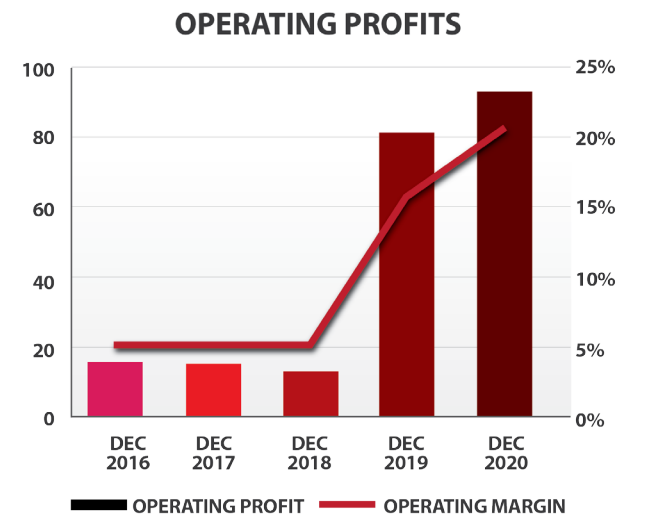


Fig. 4: Operating Profit

Profit Before Taxation

The Company earned profits before taxation of J\$83 million in the year ended December 2020; an improvement of 20.4% compared to the J\$69 million the Company earned in the prior FY. The increased profitability for the 2020 FY despite the decrease in revenues is the culmination of management's strategic plan to improve its expense budgeting and management. This strategic plan was successfully implemented by the Company during the COVID-19 pandemic which allowed it to remain profitable despite the pandemic which adversely impacted several companies within the manufacturing sector.

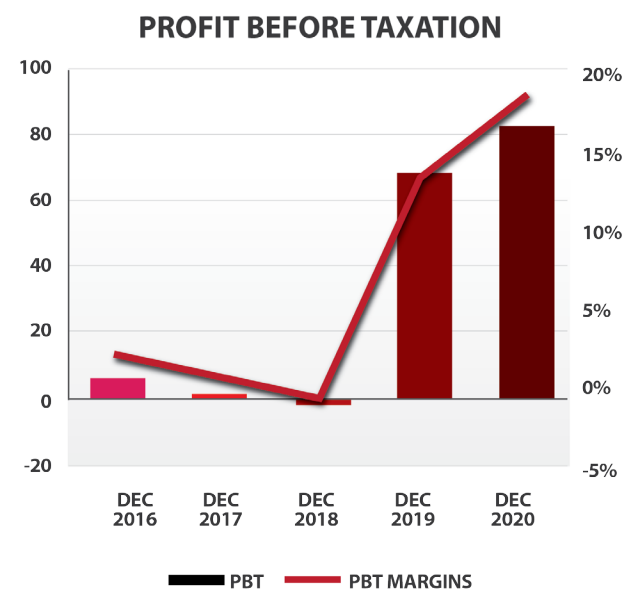


Fig. 5: Shareholders' Equity and ROE

Shareholders' Equity

Shareholders' equity has grown at a CAGR of 29.0% over the past five (5) years to close at J\$203.3 million as at December 2020. The equity position of the Company improved by over 50% as at December 2020 as a result of improved profitability. Between 2016 and 2018, the equity base of the Company remained relatively flat due to the limited profitability over that period with shareholders' equity increasing with the profitability of the Company over the next two (2) years.

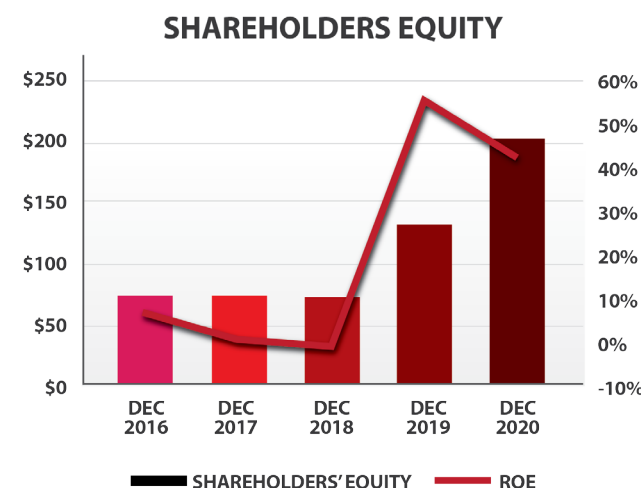


Fig. 6: Shareholders' Equity and ROE

Cash Flow and Liquidity

Over the past five (5) years, the Company has consistently generated positive cash flows from operations. Cash flows from operations generally increased to December 2019, where the Company generated J\$26 million. The Company's cash flows from operations increased five (5) times in the 2020 FY, as a result of increased profitability and improved working capital management.

The current ratio has generally improved over the past five (5) years, closing at 1.5 times in 2020; above the five (5) year average of 1.2 times.

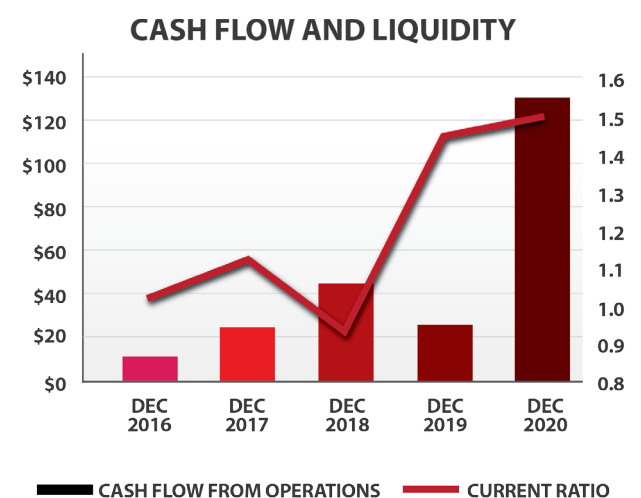


Fig. 7: Cash Flow from Operations & Current Ratio

NINE (9) MONTHS TO SEPTEMBER FINANCIAL REVIEW

J\$000	9 MONTHS ENDED	
	SEP-20	SEP-21
INCOME STATEMENT		
Sales	312,307	209,733
Cost of Sales	(114,013)	(116,878)
Gross Profits	198,294	92,856
Other Income	3,052	20,131
Revenues, net of COGS	201,346	112,987
Admin, Selling & Distribution Expenses	(106,262)	(101,159)
Operating Profits	95,084	11,828
Finance Income	44	49
Finance Costs	(8,349)	(7,049)
Net Finance Costs	(8,305)	(7,000)
Profit Before Taxation	86,779	4,829
Taxation	(8,700)	(1,300)
Net Profits	78,079	3,529
STATEMENT OF FINANCIAL POSITION		
Total Assets	348,018	362,774
Current Assets	197,373	185,156
Non-Current Assets	150,645	177,618
Total Liabilities	138,075	155,936
Current Liabilities	78,204	118,190
Non-Current Liabilities	59,871	37,746
Shareholders' Equity	209,943	206,838
STATEMENT OF CASH FLOW		
Cash Flow from Operations	79,507	(20,709)
Cash Flow from Investing	(.3)	(32,893)
Cash Flow from Financing	(32,362)	(7,671)
Net Change in Cash and Cash Equivalents	46,874	(61,273)
Cash at Beginning of Period	(398)	46,476
Cash at End of Period	46,476	(14,797)

During the nine (9) months ended September 2021, sales were J\$210 million. This reflects a 33% decrease from the comparable period in 2020. The Company's revenues from contracted work for the nine (9) month period were delayed as a result of multiple unforeseen contract delays caused by the Covid-19 pandemic. More specifically, the various COVID-19 containment measures reduced the number of working hours which slowed the production and completion of work in progress jobs. Tabled below is a summary of the pipeline projects (contracted jobs) for Q1-Q3 of the 2022 FY, which also includes the delayed projects that were expected to be completed before the end of the Q3 of 2021. The expected revenues from these delayed projects were J\$81 million.

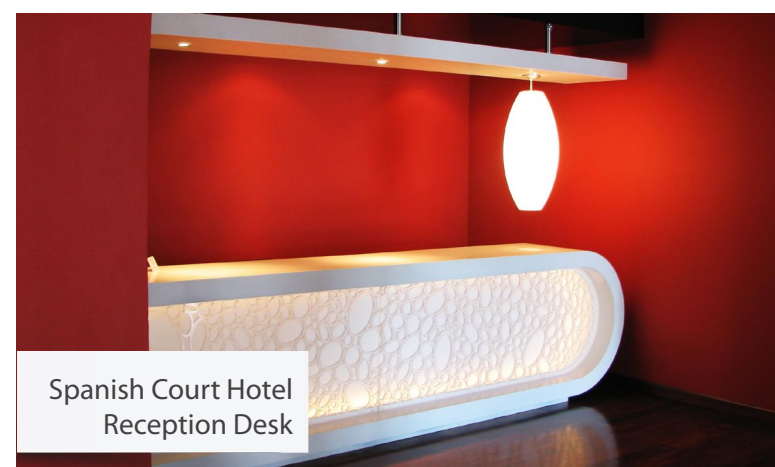
2022 Q1-Q3 PIPELINE

ESTIMATED COMPLETION	CONTRACTED AMOUNT
Q1	J\$81.7 Million
Q2	J\$20.3 Million
Q3	J\$153.1 Million
Total	J\$255 Million

Aggregately, the Company boasts a robust pipeline of J\$255 million for the 2022 FY. Included in this pipeline are:

- i. a J\$153 million contract awarded to the Company to manufacture and outfit the check in counters and baggage scales at MBJ which is slated to be completed by Q3 of 2022; and
- ii. J\$32 million in revenues remaining to be recognized from a contract awarded to the Company to furnish the ROK Hotel which is set to be completed in Q2 of this year.

Despite the COVID-19 pandemic, the construction industry has remained resilient and reports from the PIOJ indicate that the industry has grown by an estimated 18.3%¹³ for the April to June 2021 quarter. Additionally, according to the PIOJ, it is anticipated that the country will record higher levels of output for all quarters of FY2021/22 relative to the subdued performance in FY2020/21 which was impacted by the restrictions implemented due to by the COVID-19 pandemic. Consequently, the PIOJ's projection is for a range of 6.0%–10.0% growth in output based on the simultaneous/ongoing build-out of capacity which is currently being undertaken in some industries and which is reflected by the performance of the construction industry. Furthermore, there is expected growth in most industries with the services industry, in particular hotels & restaurants, other services and transport, storage & communication being at the forefront. The Company's position as the leading provider of commercial furniture in Jamaica as well as the projected growth in several of the industries that it services, should positively impact the Company's future performance.



Spanish Court Hotel
Reception Desk

Gross profits over the period fell from J\$198.29 million to J\$92.86 million, which represents a 53.2% decrease. Consequently, gross profit margin fell from 63.5% to 44.3%. Consistent with global trends, the Company's shipping and raw materials costs increased during the nine (9) month period resulting in an increase in cost of sales. Additionally, cost of sales increased due to materials being purchased in advance for production of jobs which were ultimately delayed. This is evidenced also by the J\$42.1 million decrease in inventories for the nine (9) month period to J\$29.0 million.

Administration, selling and distribution expenses of J\$106.3 million declined to J\$101.2 million over the period, due primarily to a decrease in commission-based compensation. The Company had a J\$38.6 million investment account that was funded during the period which yielded investment gains, resulting in other income growing by J\$17.1 million up from J\$3.2 million in the prior corresponding period. However, the decline in revenue ultimately induced the decline in operating profits over the period, from J\$95.1 million to J\$11.8 million. This resulted in a profit before tax over the period of J\$4.8 million, a decrease of J\$82.0 million. Ultimately, this emanated from the reduction in sales due to the J\$81 million in delayed contracted jobs, in addition to the associated manufacturing expenses being incurred during the period.

Furthermore, the restrictions associated with the COVID – 19 pandemic have resulted in additional expenses for the Company. Though the Company operates within an exempted industry, the impact of the lockdowns measures on public transportation forced the Company to incur additional costs in order to transport its employees to the factory. The logistics associated with this process also proved impractical for some employees and this further impacted the Company's level of productivity. It is anticipated that the restrictions associated with the pandemic will continue to be reduced and, in many cases, eliminated allowing for the gradual and ultimate return to full capacity in production and installation. This is expected to reduce delays in project completion as well as improved production efficiency.

Additionally, the Company incurred additional costs to encourage employees to get vaccinated as well as to pay for COVID-19 tests when there were confirmed or suspected COVID-19 cases at its factory. Employees were given cash incentives, lunch, transportation as well as paid time off to get vaccinated. As a result of its efforts, the Company

“...non-current assets increased from J\$150.6 million to J\$177.6 million..”

now has the majority of its staff vaccinated. There was also additional expenditure on safety items such as acrylic shields, hand sanitizers and thermometers. These increased costs are expected to be non-recurring, and the Company will revert to its previously experienced operating levels of efficiency and profitability.

Balance Sheet

As at the end of September 2021, current assets reflected a 6% decrease compared to September 2020, from J\$197.3 million to J\$185.2 million. This was due to a decrease in cash resulting from allocating J\$38.6 million cash on hand to an investments account, which is reflected in non-current assets. There was also a decrease of J\$42.1 million in inventory as this amount was recognised in the increase in cost of sales as mentioned above. There was an increase in accounts receivables from J\$38.4 million for the nine (9) month period ending September 2020 to J\$95.1 million for the corresponding period in 2021 due to COVID- 19 related project delays. Conversely, non-current assets increased from J\$150.6 million to J\$177.6 million, representing an 18% increase from the comparable period. As stated earlier, a new investments account was funded which attributed to the increase in non-current assets.

Total liabilities for the nine (9) month period ending September 30, 2021, was J\$155.9 million, an increase of J\$17.8 million over the nine (9) month corresponding period for 2020. Current liabilities increased by J\$40 million from J\$78.2 million to J\$118.2 million. Included in current liabilities was a J\$15.2 million bank overdraft which was utilised by the Company to support its working capital. Conversely, non-current liabilities decreased by J\$22.1 million to J\$37.7 million resulting from a reduction in the long term loans.

Shareholder's equity remained relatively flat to end the September 2021, period at J\$206.8 million comparative to J\$209.9 million in 2020.

Subsequent Transactions

Sale of Property

Subsequent to the close of the third quarter of 2021, the board took the decision to sell the building located at 155 Spanish Town Road to JFP Property Investments Limited, a related company for J\$124 million. The sale was complete on December 10, 2021. From the proceeds of the sale, the Company settled its outstanding mortgages for the total amount of \$64,611,467.40 with National Commercial Bank Jamaica Limited.

The Company also recognized a gain of J\$41.8 million on the sale.

Declaration of Dividends

As at October 28, 2021, the Company declared a cash dividend of J\$108.2 million to the shareholders at the time. On the same aforementioned date, the Company also declared a dividend in specie in relation to securities held by the Company in an investment portfolio in brokerage account at GK Capital Management Limited with an approximate value of up to J\$47 million to the shareholders as at that date. The company had not declared a dividend in the past five (5) years prior as the Company reinvested its profits into the Company in order to grow the business and expand its capabilities.

Settlement of Directors' Loans

Prior to the close of the third quarter, the Company had loans due from related parties of J\$56.9 million as reflected in the table below:

DIRECTOR	AMOUNT (J\$)
Stephen Sirgany	23.7 million
Richard Sirgany	17.8 million
Metry Seaga	15.4 million
Total	56.9 million

All balances of abovementioned balances were repaid after the end of the quarter. Directors' loans are non-interest bearing and have no fixed maturity date.

Lease Arrangement

The Company also entered into the lease agreement as referenced in Sections 8.11 and 15 with JFP Property Investments Limited pursuant to which the Company has recognized a right of use asset of J\$102.1 million and a right of use liability of the same amount.

Shareholders' Loan

As at the date of this Prospectus, the Company had a shareholders' loan of J\$16 million collectively, due to Richard Sirgany, Eurobian Limited and JKZ Limited.

Purchase of Property

The Company is currently engaged in purchasing a parcel of land located at 155 Spanish Town Road from the government for future development and expansion.

¹³ https://www.pioj.gov.jm/wp-content/uploads/2021/09/Speaking-Notes_DGs_QPB_26-n1.pdf

SECTION 12

FINANCIALS

Five (5) Year Financial Summary

Auditor's Report And Financial Statements At December 31,2020

Interim Financial As At September 30, 2021

FIVE (5) YEAR FINANCIAL SUMMARY

J\$000	YEAR ENDED				
	DEC-16	DEC-17	DEC-18	DEC-19	DEC-20
Income Statement					
Sales	285,475	277,895	244,425	503,747	442,760
Cost of Sales	-142,038	-144,700	-92,486	-269,584	-210,092
Gross Profits	143,436	133,195	151,939	234,164	232,668
Other Income	2,520	374	9,241	7,455	8,342
Revenues, net of COGS	145,956	133,568	161,180	241,618	241,011
Admin, Selling & Distribution Expenses	-130,511	-118,699	-148,231	-161,934	-147,653
Operating Profits	15,445	14,870	12,949	79,684	93,358
Finance Costs, net	-9,407	-12,820	-14,953	-10,683	-10,312
Profit Before Taxation	6,038	2,050	-2,004	69,002	83,046
Taxation	-1,138	-1,516	929	-11,544	-11,600
Net Profit	4,900	534	-1,075	57,458	71,446
Balance Sheet					
Total Assets	258,015	254,406	396,327	308,608	410,844
Current Assets	100,089	105,827	214,768	138,115	229,469
Non-Current Assets	157,926	148,578	181,559	170,493	181,375
Total Liabilities	184,629	180,486	323,482	176,744	207,535
Current Liabilities	98,117	94,301	230,371	95,500	153,106
Non-Current Liabilities	86,512	86,185	93,111	81,244	54,429
Shareholders' Equity	73,386	73,920	72,845	131,863	203,310
Total Liabilities and Shareholders' Equity	258,015	254,406	396,327	308,608	410,844

**JAMAICA FIBREGLASS PRODUCTS LIMITED
AUDITED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020**

**JAMAICA FIBREGLASS PRODUCTS LIMITED
INDEX
31 DECEMBER 2020**

INDEPENDENT AUDITOR'S REPORT TO MEMBERS

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To the Members of
JAMAICA FIBREGLASS PRODUCTS LIMITED

Independent Auditor's Report

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Jamaica Fibreglass Products Limited as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

What we have audited:

The Company's financial statements comprise:

- The statement of financial position as at 31 December 2020
- The statement of comprehensive income for the year then ended
- The statement of changes in equity for the year then ended
- The notes to the financial statements, which include a summary of significant accounting policies

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of Management and those charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing 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 Company or cease operations or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.



Auditor's 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 misstatements, whether due to fraud or error and to issue an auditor's 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.

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 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 a fair presentation.
- 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 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Company to express an opinion on the financial statements. We remain solely responsible for our audit opinion.

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 identified during our audit.




Other matters

The financial statements of the Company for the year ended 31 December 2019 were audited by another auditor whose report dated 28 August 2020, expressed an unqualified opinion on the financial statements.

Report on other legal and regulatory requirements

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 kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.


Chartered Accountants

April 01, 2021
Kingston, Jamaica

Jamaica Fibreglass Products Limited
Statement of Comprehensive Income
Year ended 31 December 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
Revenue	2(c)	442,760,103	503,747,084
Cost of sales: direct expenses		(210,091,709)	(269,583,551)
Gross Profit		232,668,394	234,163,533
Other income	4	8,342,178	7,454,675
		241,010,572	241,618,208
Administrative expenses:	5	143,525,752	* 155,690,030
Selling and distribution expenses	5	4,126,752	*6,243,868
		147,652,504	161,933,898
Operating profit		93,358,068	79,684,310
Finance income	5	86,678	2,636,904
Finance costs	5	(10,398,463)	*(13,319,524)
		(10,311,785)	(10,682,620)
Operating profit before taxation		83,046,283	69,001,690
Taxation	8	(11,599,987)	(11,544,234)
Net profit, being total comprehensive income for the year		71,446,296	57,457,456

* reclassified for comparative purposes

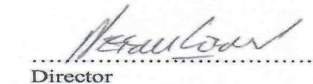
Jamaica Fibreglass Products Limited
Statement of Financial Position
31 December 2020

	Note	<u>2020</u> \$	<u>2019</u> \$
Non-current assets:			
Property, plant and equipment	9	139,210,476	162,480,891
Investments	10	29,925,701	-
Deferred tax asset	11	12,239,125	8,012,074
Current assets:			
Inventories	12	37,516,010	36,069,065
Receivables	13	53,576,281	41,534,185
Directors' current account	14	42,979,492	34,759,783
Cash and cash equivalents	15	95,397,162	*25,751,539
		229,468,945	138,114,572
Current liabilities:			
Payables	16	114,917,015	63,149,964
Taxation		11,448,983	11,710,637
Current portion of finance lease obligations	17	3,585,784	*2,185,671
Current portion of long-term loans	18	23,154,409	*13,426,268
Bank overdraft	19	-	*5,027,618
		153,106,191	95,500,158
Net current assets		76,362,754	42,614,414
		257,738,056	213,107,379
Shareholders' equity:			
Share capital	20	1,000	1,000
Retained earnings		203,308,548	131,862,257
		203,309,548	131,863,257
Non-current liabilities			
Finance lease obligations	17	6,458,688	*11,487,975
Long term loans	18	47,969,820	*69,756,147
		257,738,056	213,107,379

• reclassified for comparative purposes

Approved and signed on behalf of the Board of Directors on April 1, 2021 by:


 Director


 Director

Jamaica Fibreglass Products Limited
Statement of Cash Flows
Year ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
Cash flows from operating activities:		
Net profit	71,446,296	57,457,456
Items not affecting cash resources:		
Depreciation	25,162,754	26,623,879
Interest income	(86,678)	(2,636,904)
Deferred tax	(4,227,051)	(2,497,759)
Prior year adjustments	-	1,561,011
Interest expense	9,101,126	8,729,971
	<u>101,396,447</u>	<u>89,237,654</u>
Changes in operating assets and liabilities:		
Inventories	(1,446,945)	99,686,577
Receivables	(12,042,096)	(5,891,947)
Payables	51,767,051	(151,748,303)
Directors current accounts	(8,219,709)	(16,612,395)
Taxation payable	(261,654)	11,298,521
	<u>29,796,647</u>	<u>(63,267,547)</u>
Cash provided by operating activities	<u>131,193,094</u>	<u>25,970,107</u>
Cash flows from investing activities		
Purchase of property, plant, and equipment	(1,892,344)	(13,060,549)
Investment	(29,925,701)	-
Interest received	86,678	2,636,904
Cash used in investing activities	<u>(31,731,367)</u>	<u>(10,423,645)</u>
Cash flows from financing activities		
Interest paid	(9,101,126)	(8,729,971)
Loans, net (repayments)/receipts	(15,687,360)	7,219,174
Cash used in financing activities	(24,788,486)	(1,510,797)
Net increase in cash and cash equivalents	<u>74,673,241</u>	<u>14,035,665</u>
Net cash and cash equivalents at beginning of year	20,723,921	6,688,256
Net cash and cash equivalents at end of the year	<u>95,397,162</u>	<u>20,723,921</u>
Represented by:		
Cash and cash equivalents	95,397,162	25,751,539
Bank overdraft	-	(5,027,618)
	<u>95,397,162</u>	<u>20,723,921</u>

Jamaica Fibreglass Products Limited
Statement of Changes in Equity
Year ended 31 December 2020

	<u>Number of Shares</u>	<u>Share Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at 31 December 2017	1,000	1,000	73,918,526	73,919,526
Total comprehensive income			1,595,549	1,595,549
Prior year adjustments			(2,670,285)	(2,670,285)
Balance at 31 December 2018	1,000	1,000	72,843,790	72,844,790
Total comprehensive income			57,457,456	57,457,456
Prior year adjustments			1,561,011	1,561,011
Balance at 31 December 2019	1,000	1,000	131,862,257	131,863,257
Net profit, being total comprehensive income			71,446,296	71,446,296
Balance at 31 December 2020	1,000	1,000	203,308,548	203,309,548

1. IDENTIFICATION

Jamaica Fibreglass Products Limited, (the Company) is incorporated and domiciled in Jamaica. The registered office of the company and principal place of business is located at 155 Spanish Town Road, Kingston, Jamaica.

The Company's principal activities are the manufacturing and distribution of custom-built commercial furnishings.

2. SUMMARY OF SIGNIFICANT POLICIES

a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost basis.

The principal financial accounting policies adopted in the preparation of these financial statements are set out below and these policies have been consistently applied to all the years presented unless otherwise stated.

Judgments and estimates

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the date of the statement of financial position, and the revenue and expenses during the reporting period. Actual results could differ from those estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known.

Management makes judgments and estimates that affect the following:

- The application of accounting policies;
- The reported amounts of assets and liabilities;
- Disclosures of contingent assets and liabilities; and
- The reported amounts of revenue and expenses during the reporting periods.

Actual results may differ from estimates made in the financial statements.

Judgments are made in the selection and assessment of the Company's accounting policies. Estimates are used mainly in determining the measurement of recognized transactions and balances. Estimates are based on historical experience, and other factors, including expectations of future events, believed to be reasonable under the circumstances. Judgments and estimates are interrelated. The Management's judgments and estimates are continually re-evaluated to ensure they remain appropriate. Revision to accounting estimates is recognized in the period in which the estimates are revised and in the future periods affected. The use of estimates is an essential part of the preparation of financial statements and does not undermine their reliability.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

(a) Basis of preparation (continued)

Judgments and estimates (continued)

The following are the accounting policies that are subject to judgments and estimates that the Management believes could have the most significant impact on the amounts recognized in the financial statements.

Financial assets

Judgment – financial assets are classified and subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss on the basis of (i) the company's business model for managing the financial assets and (ii) the contractual cash flow characteristic of the financial assets. Judgment is required in determining the business model and its objective.

Revenue from contract with customers

Judgment - is required in (i) identifying performance obligations and determining the timing of the satisfaction of the performance obligations and (ii) the transaction price and the amount allocated to the performance obligations.

Estimation – if the consideration promised in a contract includes a variable amount, the company is required to estimate the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to the customer.

Impairment of assets

Judgment has been used, at each reporting date, in determining whether there has been an indication of impairment in the carrying amounts of the Company's tangible and intangible assets, which would require impairment testing to determine whether there is any indication that those assets have suffered impairment losses.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of an asset is the greater of an asset's fair value less costs to sell or its value in use. Value in use refers to the present value of future cash flows expected to be derived from an asset.

Inventories

Estimation – Inventories are carried at the lower of cost and net realizable value. The estimation of net realizable value is based on the most reliable evidence available, at the time the estimates are made, of the amount the inventories are expected to realize. Additionally, estimation is required for inventory provision due to shrinkage, slow-moving, and obsolescence.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

(a) Basis of preparation (continued)

Judgments and estimates (continued)

Income and other taxes

Judgment – Income and other taxes are subject to Government policies. In calculating current and recoverable income and other taxes, Management uses judgment when interpreting the tax rules and in determining the tax position. There are some transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business

Estimation – Income and other taxes are subject to Government policies, and estimates are required in determining the provision. Management recognizes liabilities for possible tax issues based on estimates of whether additional taxes may be due.

Receivables

Estimation – Management’s estimate of allowance on accounts receivable is based on analysis of the Expected Credit Loss (ECL) model according to IFRS 9, which takes into account aging of receivables, historical experience with delinquency and default, and forward-looking assumptions. Default rates and the allowance amount are regularly reviewed against the actual outcomes to ensure that they remain appropriate. The company applied a basic expected credit loss model (ECL) based on some of the requirements of IFRS 9 to determine the allowance for doubtful receivables. Management continues to review the model with the intention to fully adopt it in January 2021.

Estimation – Other estimates include determining the useful lives of PPE for depreciation; accounting for and measuring payables and accruals and measuring fair values of financial instruments.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

a) Basis of preparation (continued)

Standards, interpretations, and amendments to published standards effective in the current year.

Certain amendments and clarifications to existing standards have been published that became effective during the current financial year. The Company has assessed the relevance of all such new amendments and clarifications and has put into effect the following, which are immediately relevant to the Company’s operations. They include:

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 –Leases, which replace IAS 17 – Leases and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases unless the lease term is 12 –months or less or the underlying assets have a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating and finance leases being retained.

The Company has been in the process of reviewing all of its leasing arrangements, and IFRS 16 was applied for annual periods beginning on or after January 1, 2019. The Company principally accounted for its leases of solar panels and air condition units as finance leases while the Company owns the buildings and other heavy-duty equipment used in the manufacture of its fiberglass products.

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

Amendment to IAS 1, Presentation of Financial Statements and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors is effective for annual periods beginning on or after January 1, 2020, and provides a definition of “material” to guide preparers of financial statements in making judgments and information to be included in financial statements.

“Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make based on those financial statements, which provide financial information about a specific reporting entity.”

Amendments to References to Conceptual Framework in IFRS Standards are effective retrospectively for annual reporting periods beginning on or after January 1, 2020. The revised framework covers all aspects of standard setting, including the objective of financial reporting.

The main change relates to how and when assets and liabilities are recognized and derecognized in the financial statements.

- New ‘bundle of rights approach to assets will mean that an entity may recognize a right to use an asset rather than the asset itself.
- Liability will be recognized if a company has no practical ability to avoid it. This may bring liabilities on the balance sheet earlier than at present
- A new control-based approach to de-recognition will allow an entity to derecognize an asset when it loses control over all or part of it; the focus will no longer be on the transfer of risks and rewards.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

a) Basis of preparation (continued)

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)

The Company is assessing the impact that these new and amended standards and interpretations will have on its financial statements when they become effective.

b) Foreign currency transaction and balances

Foreign currency transactions that require settlement in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in currencies other than Jamaican dollars are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary assets and liabilities measured at historical cost denominated in currencies other than Jamaican dollars are translated at the rate of exchange in effect at the date of the transactions or initial recognition. Non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Gains and losses arising from fluctuations in exchange rates are generally included in profit or loss. However, foreign currency differences resulting from the translation of equity investments are recognized in other comprehensive income, except on impairment, in which case the foreign currency differences that have been recognized in other comprehensive income are reclassified to profit or loss.

Exchange rates are determined by the published weighted average rate at which commercial banks trade in foreign currencies.

c) Revenue recognition

(i) Sale of goods

Revenue is recognized when the performance obligation, satisfied at a point-in-time to transfer goods and or services to the customer is complete. Completion is assessed when the customer takes control and or obtains the benefits of the goods and /or services, and the company has a present right to payment as evidence by an invoice or the right to invoice.

(ii) Finance income

Finance income comprises interest-earned on invested funds. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset

(iii) Other operating income

Other operating income includes gains on disposal of assets, recognized when the asset is sold, foreign exchange gains and miscellaneous inflows recognized when received.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

d) Income taxes

The income tax expense for the year comprises a current and deferred tax. Income tax expense is recognized in net income, except to the extent that it relates to items recognized either in OCI or directly in equity.

I. Current taxation

The current tax charge is the expected tax payable on the taxable income for the year, using tax rates in effect at the reporting date plus any over or under the provision of tax in respect of previous years.

II. Deferred taxation

Deferred tax liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets are recognized for temporary differences which will result in deductible amounts in future periods, but only to the extent, it is probable that sufficient taxable profits will be available against which these differences can be utilized.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply in the period in which the asset will be realized, or the liability will be settled based on enacted rates.

e) Employee benefit costs

Pension obligations

The Company does not participate in a defined contribution pension plan.

Vacation

The Company pays employee vacation pay at the year-end and does not have to carry forward any accrued vacation.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

f) Property, plant, and equipment

Property, plant, and equipment are stated at historical cost, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. The land is carried at cost and is not depreciated.

Depreciation is calculated on a straight-line method at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Current annual rates of depreciation are:

Buildings & building improvements	2.5%
Molds & modules	10%
Plant, tools, and equipment	10%
Solar, air condition units & light bulbs	7.5%
Computer software & equipment	12.5%
Furniture, fixtures & display units	10%

The assets' residual values and useful lives are reviewed periodically for impairment. Where the assets' carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant, and equipment are determined by comparing the proceeds with the carrying amount and are recognized in other income in the statement of comprehensive income.

Repairs and maintenance expenditure are included in the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that the future economic benefits in excess of the initially assessed standard of performance of the existing asset will flow to the Company.

The cost of self-constructed assets includes the cost of materials, direct labour, and related cost to put the asset into service. Borrowing costs, including but not limited to, interest on borrowings and exchange differences arising on such borrowings, that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalized as part of the cost of that asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its use are complete. Thereafter, borrowing costs are recognized in profit or loss when they are incurred.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

g) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units' fair value less costs to sell and its value in use. It is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in comprehensive income.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Impairment losses recognized in relation to goodwill are not reversed for subsequent increases in its recoverable amount.

h) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less selling expenses. Work-in-progress includes all direct costs, relative to the level of completion of the unfinished products at the end of the financial year.

i) Trade and other receivables

Trade and other receivables are measured at amortized cost less impairment losses.

j) Credit risk and expected loss

The Company is primarily exposed to credit risk on its trade receivables and does not provide for any lifetime expected credit loss (LECL). It applies the practical experience of not adjusting the promised consideration receivable because the credit period is less than 12 months. The Company recognizes a loss allowance based on historical trends and current economic circumstances. In subsequent years the Company will incorporate a forward-looking assumption to improve its basic expected credit model (ECL).

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

k) Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at amortized cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash and bank balances. For the purposes of the statement of cash flows, bank overdraft, if any, that is repayable on demand and form an integral part of cash management activities, is included as part of cash and cash equivalents.

l) Trade and other payables

Trade and other payables are measured at amortized cost.

m) Leases

Leases of property, plant, and equipment where the Company has substantially taken over all the risks and rewards of ownership are classified as finance leases. Finance leases are recognized at the inception of the lease at the lower of the fair value of the leased asset or the present value of minimum lease payments. Each lease payment is allocated between the liability and interest charges to produce a constant rate of charge on the lease obligation. The interest element of the lease payments is charged to comprehensive income over the lease period.

Property, plant, and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Prior to 1 January 2019, assets held under other leases were classified as operating leases and were recognized in the Statement of Financial Position. Payments made under operating leases were recognized in the Statement of Comprehensive Income on a straight-line basis over the term of the respective lease.

From 1 June 2019, the Company has adopted IFRS 16 and will recognize in the Statement of Financial Position right of use assets and lease liabilities, where applicable.

Right of use assets are measured at cost comprising the following:

- (1) The amount of initial measurement of the lease liability
- (2) Any lease payments made at or before the commencement date less any lease incentives received.
- (3) Any initial direct cost, and
- (4) Restoration cost

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

For the year ended 31 December 2020, the Company leased solar panels and air condition units were adequately disclosed as finance leases.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

n) Debt: borrowings and borrowing costs

Debt is classified as current when the Company expects to settle the liability in its normal operating cycle, it holds the liability primarily for trading, the liability is due to be settled within 12 months after the date of the statement of financial position, or it does not have an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position; Otherwise, it is classified as long-term. After initial recognition, Debt is measured at amortized cost using the effective interest rate method, less any impairment, with gains and losses recognized in net income in the period that the liability is derecognized.

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalized as part of the cost of these assets. Capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

o) Financial instruments – recognition and measurement

A financial instrument is any contract that gives rise to a receipt or payment in cash or its equivalents and a financial asset of one party and a financial liability or equity instrument of another party. Financial assets and financial liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of a financial instrument. All financial instruments are measured at fair value on initial recognition. Subsequent measurement of these assets and liabilities is based on fair value or amortized cost using the effective interest method.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities, other than financial assets and financial liabilities classified as fair value through profit or loss (FVTPL) are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in net income.

Classification and subsequent measurement -

Financial instruments - assets

The Company classifies financial assets according to its business model for managing the financial assets and the contractual terms of the cash flows. Classification choices for financial assets are:

- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Classification choices for financial liabilities are:

- Amortized cost
- FVTPL

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

o) Financial instruments – recognition and measurement (continued)

Amortized cost

Financial assets are classified as amortized cost because the financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding. These assets are measured at amortized cost using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

Fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI because the financial assets are held with a business model with the objective to hold financial assets in order to collect contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are measured at amortized cost using the effective interest method and are subject to impairment. Gains and losses are recognized in other comprehensive income when the asset is modified or impaired and subsequently to profit or loss on derecognition.

Fair value through profit or loss (FVTPL)

Financial assets are classified as FVTPL unless they are classified as amortized cost or fair value through other comprehensive income. Gains and losses are recognized in other comprehensive income when the asset is modified or impaired and subsequently to profit or loss on derecognition.

Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flow from the assets expire or when the Company transfers the financial asset to another party without retaining control or substantially all the risks and rewards of ownership of the asset. Any interest in transferred financial assets created or retained by the Company is recognized as a separate asset or liability.

A financial liability is derecognized when the contractual obligations are discharged, canceled, or expires.

p) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is charged to the statement of comprehensive income net of any reimbursement.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

q) Related party disclosure

Related parties are identified and disclosed to allow users of the financial statements to be aware of the possibilities that the financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances, including commitments, with such parties.

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the “reporting entity”)

- (a) A person or close member of that person’s family is related to a reporting entity if that person:
- Has control or joint control over the reporting entity;
 - Has significant influence over the reporting entity; or
 - Is a member of the key management personnel of the reporting entity or a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions apply:
- The Company and the reporting entity are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others).
 - One company is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - Both companies are joint ventures of the same third party.
 - One company is a joint venture of a third entity, and the other entity is an associate of the third entity.
 - The company is a post-employment benefit plan for the benefit of the employees of either the reporting entity or an entity related to the reporting entity.
 - The company is controlled, or jointly controlled by a person identified in (a) above.
 - A person identified in ((a) (i)) above has significant influence over the company or is a member of the key management personnel of the company (or of a parent of the company).

A related party transaction involves the transfer of resources, services, or obligations between a reporting company and a related party, regardless of whether a price is charged.

r) Expenses

- (i) Expenses are recognized on an accrual basis.
- (ii) Finance costs comprise interest incurred on borrowings, calculated using the effective interest method, foreign exchange losses, and bank-related charges.
- (iii) Payments under leases are recognized in profit or loss on a straight-line basis over the term of the lease.

2. SUMMARY OF SIGNIFICANT POLICIES (CONTINUED)

s) Investments

Certificate of Deposits, quoted shares, and other investments are recognized at fair value. Incomes from these investments are accounted for based on the accrual basis.

t) Dividends

Dividends on ordinary shares are recognized in equity in the period in which they are approved. Dividends for the financial year that are declared after the reporting date are dealt with in the subsequent event note.

3. FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk, and price risk), credit risk, and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

The company's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The company regularly reviews its risk management policies and systems to reflect changes in markets, products, and emerging best practices.

The Board of Directors is ultimately responsible for the establishment and oversight of the company's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Credit risk

(i) Trade and other receivables

The company takes on exposure to credit risk, which is the risk that its customers, clients, or counterparties will cause a financial loss for the company by failing to discharge their contractual obligations. Credit risk exposures arise principally from the company's receivables from customers. The company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and geographical and industry segments.

Credit review process

Management performs ongoing analyses of the ability of borrowers and other counterparties to meet repayment obligations.

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established a credit policy under which each customer is analyzed individually for creditworthiness prior to the company offering them a credit facility.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

(i) Trade and other receivables

These limits are reviewed periodically.

The company has procedures in place to restrict customer orders if the order will exceed their credit limits. Customers that fail to meet the company's benchmark creditworthiness may transact business with the company on a cash basis.

The company establishes an allowance for impairment of trade and other receivables that represent its estimate of incurred losses coupled with forward-looking assumptions and guidelines. The company addresses impairment assessment in two areas: individual and collective allowances.

The company's credit policy requires customers to pay a 30% to 50% deposit prior to the commencement of a job and the balance to be paid within 30 days after completion. The company makes a full provision for all amounts deemed to be irrecoverable.

While customers are not required to provide a banker's guarantee, credit limits are assigned to each customer, which represents the maximum credit allowable without approval from the Credit Committee.

(ii) Cash

Cash transactions are carried out with high credit quality financial institutions.

Maximum exposure to credit risk

The company's maximum exposure to credit risk at year-end equals the carrying amount for the assets which provide such exposure for the Company.

Exposure to credit risk for trade receivables

Trade receivable represents amounts from customers in Jamaica and the Caribbean. The following table summarizes the company's credit exposure for trade receivables at their carrying amounts, as categorized by the customer sector, as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Private companies	40,181,317	31,509,944
Government entities	2,033,336	1,335,395
	<u>42,214,653</u>	<u>32,845,339</u>
Less: provision for bad debts	(3,352,112)	(460,798)
	<u>38,862,541</u>	<u>32,384,541</u>

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

Exposure to credit risk for trade receivables

Trade receivables that are less than three months are not considered impaired. As of 31 December 2020, trade receivables of \$24,065,639 (2019- \$11,418,790) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. However, based on the impairment calculation computed during the year, an additional provision of \$3,352,112 was determined to be necessary.

The ageing analysis of these trade receivables, exposed to credit risks was as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
31 – 60 days	1,405,040	5,421,854
61 – 90 days	310,787	2,640,431
Over 90 days	16,433,188	13,394,057
	<u>18,149,015</u>	<u>21,456,342</u>

The movement on the provision for impairment of trade receivables is noted below:

	<u>2020</u>	<u>2019</u>
	\$	\$
Balance at 1 January:		
Opening provision for receivables impairment	460,798	-
Written off during the year	(114,180)	-
Additional provision during the year	3,352,112	460,798
Balance at 31 December	<u>3,698,730</u>	<u>460,798</u>

The creation and release of provision for impaired receivables have been included in expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(b) Liquidity risk

Liquidity risk is the risk that the company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

Liquidity risk management process

The company's liquidity management process includes monitoring future cash flows and liquidity on a regular basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure funding if required.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (continued)

Liquidity risk management process (continued)

With the exception of finance lease liabilities and loan payable, the carrying amounts of all financial liabilities equal the contractual undiscounted values. These are all due to be settled within a year. The undiscounted value for finance leases is shown in note 17 as total minimum lease payments of \$11,327,666 (2019 - \$15,990,234). The maturity profile is also shown in that note. The maturity profile for the undiscounted cash flow in relation to the long-term loan is shown in the table below.

	<u>2020</u>				
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>1 year or less</u>	<u>1-2 yrs</u>	<u>2-5 yrs</u>
	\$	\$	\$	\$	\$
Accounts payable	114,917,015	114,917,015	114,917,015	-	-
Finance lease obligations	10,044,472	11,680,040	4,380,015	7,300,025	-
Long-term liabilities	71,124,229	83,795,903	27,962,146	35,924,292	19,909,465
	<u>196,085,716</u>	<u>210,392,958</u>	<u>147,259,176</u>	<u>43,224,317</u>	<u>19,909,465</u>

	<u>2019</u>				
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>1 year or less</u>	<u>1-2 yrs</u>	<u>2-5 yrs</u>
	\$	\$	\$	\$	\$
Accounts payable	63,149,964	63,149,964	63,149,964	-	-
Finance lease obligations	13,673,646	16,060,055	4,380,015	8,760,030	2,920,010
Long-term liabilities	83,182,415	101,758,050	27,962,146	35,924,292	37,871,612
	<u>160,006,025</u>	<u>180,968,069</u>	<u>95,492,125</u>	<u>44,684,322</u>	<u>40,791,622</u>

(c) Currency risk

The company manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions.

At the end of the financial year, the company had net foreign exchange liability/(asset) exposure in Jamaican dollars of \$81,513,848 (2019 - \$25,439,389) analyzed as follows:

- US \$564,476 (2019 – US \$191,895)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Currency risk (continued)

Foreign currency sensitivity

The following table indicates the currencies to which the company had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and possible subsequent translation percentage variances after the year-end.

	Change (%) in	Effect on	Change (%)	Effect on
	currency	profit	in Currency	profit
rate	rate	before	rate	before
		Taxation		Taxation
	2020	\$	2019	\$
US\$	2	1,660,926	4	2,760,068
US\$	(4)	(3,321,851)	(6)	(4,140,101)

(d) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the company to cash flow interest risk, whereas fixed interest rate instruments expose the company to fair value interest risk.

The company has negligible exposure to interest rate risk as the majority of its financial instruments are non-rate sensitive, except for the finance lease obligations and loans, which are the company's main financial liabilities which are at fixed rates.

(e) Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure in order to reduce the cost of capital. The Board of Directors monitors the return on capital, which the Company defines as net operating income divided by total shareholders' equity.

The company is not subject to externally imposed capital requirements.

4. OTHER OPERATING INCOME

	2020	2019
	\$	\$
Other income: commission	6,739,322	7,229,137
Insurance claim	-	225,535
Foreign exchange gain	1,602,856	-
	8,342,178	7,454,672

5. ADMINISTRATIVE, SELLING & DISTRIBUTION AND FINANCE COSTS

	2020	2019
	\$	\$
Staff costs	58,070,299	65,175,599
Directors' remuneration	27,366,033	27,366,033
Audit and accounting fees	2,450,000	3,250,000
Depreciation (Note 9)	25,162,754	26,623,879
Insurance expense	6,349,411	5,315,976
Legal and professional fees	638,016	2,709,705
Motor vehicle expense	4,231,509	6,368,158
Penalty on taxes	178,731	5,000
Repairs and maintenance	7,149,565	7,129,014
Office and general expenses	327,147	787,155
Cleaning and sanitation	522,122	669,478
Property tax	101,890	101,890
Printing, postage, and stationery	959,892	1,631,558
Utilities, rates, and taxes	5,642,034	6,739,786
Registration and membership	30,000	362,201
Donation and subscription	234,134	263,151
Bad debt expense	3,698,729	742,333
Security	413,486	449,114
	143,525,752	155,690,030
Selling & distribution:		
Advertisement and promotion	1,173,363	2,349,416
Travelling and accommodation	849,974	1,482,380
Commission	2,103,415	2,412,072
	4,126,752	6,243,868
Finance cost:		
Bank charges	1,297,337	3,434,978
Loan interest	9,101,126	8,729,971
Foreign exchange loss	-	1,154,575
	10,398,463	13,319,524
Finance Income:		
Interest income	86,678	2,636,904
	86,678	2,636,904

Jamaica Fibreglass Products Limited
Notes to the Financial Statements
31 December 2020

6. STAFF COSTS

	<u>2020</u>	<u>2019</u>
	\$	\$
Salaries (excluding management remuneration)	41,041,636	44,433,338
Employers' payroll taxes	10,557,291	11,441,975
Staff welfare	6,471,372	9,300,286
	<u>58,070,299</u>	<u>65,175,599</u>

7. OPERATING PROFIT

Operating profit is shown after charging:

	<u>2020</u>	<u>2019</u>
	\$	\$
Directors' remuneration	27,366,033	27,366,033
Auditors' remuneration	2,450,000	3,250,000
Depreciation	25,162,754	26,623,879
Staff cost	58,070,299	65,175,599

8. TAXATION

a) Taxation is computed on the profit for the year adjusted for taxation purposes and comprises:

	<u>2020</u>	<u>2019</u>
	\$	\$
Current income tax @25% (2019:25%)	15,827,039	14,041,993
Deferred taxation (Note 11)	(4,227,052)	(2,497,759)
	<u>11,599,987</u>	<u>11,544,234</u>

b) The income tax on the Company's profit differs from the theoretical amount that would arise using the applicable tax rate as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Profit before taxation	83,046,283	69,001,690
Income tax @ 25 % (2019-25%)	20,761,571	17,250,423
Adjusted for difference in treatment of:		
Depreciation and capital allowance	2,247,369	2,316,283
Expenses not deducted for tax purposes	(558,021)	(307,288)
Employment Tax Credit	(6,623,880)	(5,217,425)
	<u>15,827,039</u>	<u>14,041,993</u>

Jamaica Fibreglass Products Limited
Notes to the Financial Statements
31 December 2020

9. FIXED ASSETS

	<u>2020</u>								
	Building and improvements	Work In Progress	Motor Vehicles	Molds & Modules	Furniture & Fixtures	Plant, Tools and Equipment	Solar, Light bulbs, and AC	Computer & software equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
At cost-									
At 1 January 2020	107,895,609		46,430,563	41,670,112	1,761,012	68,858,596	25,607,865	11,898,416	304,122,173
Additions	-	1,530,893	-	-	-	324,926	-	36,525	1,892,344
Disposals	-	-	-	-	-	-	-	-	-
At 31 December 2020	107,895,609	1,530,893	46,430,563	41,670,112	1,761,012	69,183,522	25,607,865	11,934,941	306,014,517
Depreciation:									
At 1 January 2020	19,783,164	-	23,587,078	15,626,292	1,673,029	65,046,978	7,682,360	8,242,387	141,641,288
Charge for the year	2,056,885	-	11,607,641	4,167,012	87,932	3,833,491	1,920,590	1,489,202	25,162,753
Disposal	-	-	-	-	-	-	-	-	-
At 31 December 2020	21,840,049	-	35,194,719	19,793,304	1,760,961	68,880,469	9,602,950	9,731,589	166,804,041
Net book value									
31 December 2020	86,055,560	1,530,893	11,235,844	21,876,808	51	303,053	16,004,915	2,203,352	139,210,476

9. FIXED ASSETS (CONTINUED)

2019

	Building and improvements	Motor Vehicles	Molds & Modules	Furniture & Fixtures	Plant, Tools and Equipment	Solar, Light bulbs, and AC	Computer & software equipment	Total
	₹	₹	₹	₹	₹	₹	₹	₹
At cost-								
At 1 January 2019	96,238,114	46,259,748	41,670,112	2,427,757	67,934,000	25,607,865	11,606,773	291,744,369
Additions	11,657,495	170,815	-	15,999	924,596	-	291,643	13,060,549
Disposals	-	-	-	(682,744)	-	-	-	(682,744)
At 31 December 2019	107,895,609	46,430,563	41,670,112	1,761,012	68,858,596	25,607,865	11,898,416	304,122,174
Depreciation:								
At 1 January 2019	17,728,375	12,186,686	11,459,280	2,344,974	58,203,732	5,761,770	8,015,331	115,700,148
Charge for the year	2,054,788	11,400,391	4,167,011	10,798	6,843,245	1,920,590	227,056	26,623,879
Disposal	-	-	-	(682,744)	-	-	-	(682,744)
At 31 December 2019	19,783,163	23,587,077	15,626,291	1,673,028	65,046,977	7,682,360	8,242,387	141,641,283
Net book value								
31 December 2019	88,112,446	22,843,486	26,043,821	87,984	3,811,619	17,925,505	3,656,029	162,480,891

10. INVESTMENTS

Quoted Securities:

Designated at fair values through profit or loss:

Grace Kennedy Limited (186,893 ordinary shares)

Lasco Manufacturing Limited (2,315,875 ordinary shares)

NCB Financial Group Limited (21,068 ordinary shares)

Seprod Limited (45,193 ordinary shares)

The Limners and Bardes Limited (1,092,985 ordinary shares)

	2020	2019
	₹	₹
Grace Kennedy Limited (186,893 ordinary shares)	11,714,453	-
Lasco Manufacturing Limited (2,315,875 ordinary shares)	8,916,119	-
NCB Financial Group Limited (21,068 ordinary shares)	3,017,570	-
Seprod Limited (45,193 ordinary shares)	2,933,025	-
The Limners and Bardes Limited (1,092,985 ordinary shares)	3,344,534	-
	29,925,701	-

The net increase in the value of the quoted securities, was adjusted through profit or loss account.

11. DEFERRED TAX ASSETS

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 25% (25% - 2019)

Balance b/fwd: as at 1 January

Current charge

Balance as at 31 December

	2020	2019
	₹	₹
Balance b/fwd: as at 1 January	8,012,074	5,514,315
Current charge	4,227,051	2,497,759
Balance as at 31 December	12,239,125	8,012,074

12. INVENTORIES

Raw materials

Work-in-progress

	2020	2019
	₹	₹
Raw materials	34,367,934	26,180,391
Work-in-progress	3,148,076	9,888,674
	37,516,010	36,069,065

13. RECEIVABLES

Trade receivables

Provision for bad debt

Deposit on storage rental

Staff loan

Upheld expenses

Other receivables

	2020	2019
	₹	₹
Trade receivables	45,285,030	32,845,518
Provision for bad debt	(3,352,112)	(460,978)
Deposit on storage rental	416,874	247,674
Staff loan	7,256,189	5,191,527
Upheld expenses	185,583	223,485
Other receivables	3,784,717	3,486,959
	53,576,281	41,534,185

Jamaica Fibreglass Products Limited
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14. DIRECTORS CURRENT ACCOUNT

	<u>2020</u>	<u>2019</u>
	\$	\$
Balance: 1 January	34,759,783	34,817,500
Addition/ (decrease)	8,219,709	(57,717)
Balance: 31 December	<u>42,979,492</u>	<u>34,759,783</u>

15. CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
	\$	\$
Current accounts	95,015,495	25,373,753
Savings accounts	65,636	65,636
Deposits	131,675	131,675
Cash balance	184,356	180,475
	<u>95,397,162</u>	<u>25,751,539</u>

16. TRADE AND OTHER PAYABLES

	<u>2020</u>	<u>2019</u>
	\$	\$
Trade payables	25,460,623	19,959,507
Customer deposits	78,522,861	32,242,598
Statutory liabilities	4,264,990	3,918,327
GCT payable	6,668,541	3,432,197
Other liabilities	-	3,597,335
	<u>114,917,015</u>	<u>63,149,964</u>

17. FINANCE LEASE OBLIGATIONS

	<u>2020</u>	<u>2019</u>
	\$	\$
Finance lease obligations	10,044,472	13,673,646
Current portion	(3,585,784)	(2,185,671)
	<u>6,458,688</u>	<u>11,487,975</u>

Jamaica Fibreglass Products Limited
Notes to the Financial Statements
31 December 2020

17. FINANCE LEASE OBLIGATIONS (CONTINUED)

	<u>2020</u>	<u>2019</u>
	\$	\$
Due in 2020	-	4,310,194
✓ 2021	4,333,591	4,333,591
✓ 2022	4,074,065	4,426,439
✓ 2023	2,920,010	2,920,010
Total minimum lease payments	11,327,666	15,990,234
Less: future finance charges	(1,283,194)	(2,316,589)
Present value of minimum lease payments	10,044,472	13,673,645
Less: current position	(3,585,784)	(2,185,671)
Non-current position	<u>6,458,688</u>	<u>11,487,974</u>

The finance lease (v), was used to purchase Solar Panels to operate lights and air condition units. The lease is payable over a five (5) year period at an interest rate of 9.5%.

18. LONG-TERM LOANS

	<u>2020</u>	<u>2019</u>
	\$	\$
(i) National Commercial Bank Limited	29,737,153	36,522,135
(ii) National Commercial Bank Limited	21,866,547	26,384,820
(iii) National Commercial Bank Limited	9,520,529	10,275,460
(iv) National Commercial Bank Limited	10,000,000	10,000,000
Total borrowings	71,124,229	83,182,415
Non-current portion	(23,154,409)	(13,426,268)
Long term portion	<u>47,969,820</u>	<u>69,756,147</u>

The National Commercial Bank Limited loans (i) to (iv) above, are principally secured by a legal mortgage over property at Spanish Town Road along with debenture over the fixed and floating assets of the Company and personal guarantee of the directors of the Company.

19. BANK OVERDRAFT

	<u>2020</u>	<u>2019</u>
	\$	\$
National Commercial Bank: current account	-	5,027,618

20. SHARE CAPITAL

	<u>2020</u> \$	<u>2019</u> \$
Authorized - 1,000 (2019-1,000) ordinary shares of no-par value		
Issued and fully paid - 1,000 (2019-1,000) ordinary shares of no-par value	1,000	1,000

21. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

- (i) The fair value of trade and other receivables, balances with related parties, cash and bank balances, trade and other payables, and short-term loan reflect their approximate carrying values because of the short-term maturity of these instruments.
- (ii) The finance lease obligation incurs interest at prevailing market rates and reflects the company's contractual obligation. The carrying value of this liability closely approximates amortized cost and is estimated to be the fair value of such liability as it attracts terms and conditions available in the market for similar transactions.
- (iii) Borrowings:

	Carrying Amounts		Fair Values	
	<u>2020</u> \$	<u>2019</u> \$	<u>2020</u> \$	<u>2019</u> \$
National Commercial Bank	71,124,229	83,182,415	66,206,187	77,294,175

22. CONTINGENCIES AND COMMITMENTS

- (i) The Company's attorney by letter dated 10 March 2021, reported as follows:
 - For the year ended December 31, 2020, we were not instructed in relation to, nor are we aware of, any existing, threatened, or impending litigation, additional taxes assessed or about to be assessed, or other claim against the above Company. In addition, we are not aware of any circumstances which would give rise to any such claim or any tax assessment.
 - We are not aware of any other contingent liabilities of the Company
 - As at December 31, 2020, the Company was not indebted to this Firm in respect of any Invoices tendered for services rendered or expenses incurred.
- (ii) The Company's senior management team at a meeting dated March 04, 2021, indicated that:
 - they have not instructed any attorneys to act on behalf of the Company in respect of any litigation or claim in which the Company was involved.
 - they were not aware of significant judgment rendered for or against the Company during the year ended 31 December 2020.
 - they were not aware of any other information of a similar nature which have come to their attention and which, in their opinion, requires disclosure in the Company's financial statements.

23. EVENTS AFTER STATEMENT OF FINANCIAL POSITION DATE

In December 2019, a novel strain of coronavirus was reported in Wuhan China. The World Health Organization (WHO) declared the outbreak to constitute a "Public Health Emergency of International Concern." The first case was identified in Jamaica in early March 2020 and soon thereafter, the WHO declared the virus a worldwide pandemic. The COVID-19 outbreak is disrupting stock markets around the world and as a consequence also disrupting supply chains and affecting production and sales across a range of industries.

Whilst COVID-19 has severely impacted the Jamaican economy, management considers the impact on the Company's revenue to be marginal. The Company was able to pivot and manufacture innovative products while identifying new customers including large Government entities. During the year, management was also able to reduce expenditure which led to an increase in profits over the previous periods. Management does not anticipate any going concern challenges as they expect this profitable trend to continue in the foreseeable future.



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 Website: www.wmckenley.com

February 8, 2022

The Directors
 Jamaica Fibreglass Products Limited
 155 Spanish Town Road
 Kingston 11

Attention: Mr & Mrs. Sirgany

We performed our review in accordance with International Standard on Review Engagement 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, such as review consist principally of applying analytical procedures to financial data, and making enquires of and having discussions with persons responsible for financial and accounting matters. An interim review is substantially less in scope than an audit, and its objective is to express an opinion regarding the financial statements. An interim review does not provide assurance that we would become aware of any significant matters identified in an audit.

Based on our review, we are not aware of any material modification that needs to be made for these audited financial statements to be in accordance with International Financial Reporting Standards.

This letter is provided solely for the purpose of assisting securities regulatory authorities to which it is addressed in discharging their responsibilities and should not be used for any other purpose. Any use that a third party makes of this letter or any reliance or decisions made based on it is the responsibility of such third parties. We accept no responsibility for loss or damages if any suffered by any third party as a result of decisions made or actions taken based on this letter.

Further, we hereby irrevocably consent to the inclusion of this Report in the Prospectus in the form and context in which it has so included.

Yours faithfully,

McKenley & Associates
 Chartered Accountants

Wilfred M. McKenley, F.C.C.A., F.C.A., M.B.A., Janice E. McKenley, B.Sc., EMBA., F.C.C.A., F.C.A. (Partner on Leave)

INTERIM FINANCIALS AS AT SEPTEMBER 30, 2021

Jamaica Fibreglass Products Limited
 Statement of Financial Position
 30 September 2021

	Note	2021 \$	2020 \$
Non-Current Assets:			
Property, plant and equipment	1	126,745,455	142,633,032
Investments	2	38,633,739	-
Deferred tax asset	3	12,239,125	8,012,074
Current assets:			
Inventories	4	29,019,057	71,131,733
Receivables	5	95,128,852	38,388,259
Directors current account	8	60,555,290	41,376,695
Cash and Cash equivalents	6	452,482	46,475,913
		185,155,681	197,372,600
Current liabilities:			
Payables	7	65,585,717	56,753,997
Taxation		1,048,006	5,837,952
Current portion of finance lease obligations	9	3,585,784	4,526,529
Current portion of long term loans	10	32,721,241	11,085,410
Bank overdraft		15,249,233	
		118,189,980	78,203,889
Net current assets		66,965,700	119,168,712
		244,584,019	269,813,818
Shareholders equity:			
Share capital		1,000	1,000
Retained earnings		206,837,128	209,941,431
		206,838,128	209,942,431
Non current liabilities			
Finance lease obligations	9	4,102,207	7,709,187
Long term loans	10	33,643,684	52,162,200
		244,584,019	269,813,818

Approved and signed on behalf of the Board of Directors on February 8, 2022 by

Stephen Sirgany
 Stephen Sirgany
 Director

Metry Seaga
 Metry Seaga
 Director

Jamaica Fibreglass Products Limited
Statement of Comprehensive Income
Period ended 30 September 2021

	2021	2020
	\$	\$
Revenue	209,733,098	312,306,728
Cost of Sales	(116,877,566)	(114,013,264)
Gross Profit	92,855,532	198,293,464
Other Income	20,131,097	3,052,311
	112,986,629	201,345,775
Administrative expenses	96,623,367	102,449,408
Selling and distribution expenses	4,535,377	3,812,305
	101,158,744	106,261,712
Operating Profit	11,827,884	95,084,063
Finance Income	49,411	44,291
Finance Costs	(7,048,594)	(8,349,185)
	(6,999,183)	(8,304,894)
Operating profit before tax	4,828,701	86,779,169
Taxation	(1,300,122)	(8,699,990)
Net profit, being total comprehensive income for the year	3,528,579	78,079,179

Jamaica Fibreglass Products Limited
Statement of Cashflows
Period ended 30 September 2021

	2021	2020
	\$	\$
Cash flows from operating activities:		
Net profit	3,528,579	78,079,179
Items not affecting cash resources:		
Depreciation	11,717,601	26,913,790
Interest income	(49,411)	(44,291)
Gain/Loss on fixed asset	(4,883,152)	0
Deferred tax	(4,227,051)	(2,497,759)
Non cash adjustment	3,361,555	(134,815)
Prior year adjustments	(6,632,882)	27,952,517
Interest expense	6,240,315	7,179,691
	9,055,555	137,448,312
Changes in operating assets and liabilities:		
Inventories	42,112,676	(40,083,856)
Receivables	(56,740,592)	(25,194,805)
Payables	8,831,719	12,970,580
Directors current account	(19,178,595)	(11,756,034)
Taxation payable	(4,789,946)	6,122,307
	(29,764,738)	(57,941,808)
Cash (Used)/provided by operating activities	(20,709,183)	79,506,504
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,004,079)	(314,672)
Investment	(38,633,739)	0
Interest received	49,411	44,291
Proceeds from sale of fixed asset	6,695,652	0
Cash used in investing activities	(32,892,755)	(270,381)
Cash flows from financing activities		
Interest paid	(6,240,315)	(7,179,691)
Loans, net receipts/(repayments)	(1,430,410)	(25,182,778)
Cash used in financing activities	(7,670,725)	(32,362,469)
Net decrease/increase in cash and cash equivalents	(61,272,664)	46,873,654
Net cash and cash equivalents at beginning of year	46,475,913	(397,741)
Net cash and cash equivalents at end of the year	(14,796,751)	46,475,913
Represented by:		
Cash and bank	452,482	46,475,913
Bank overdraft	-15,249,233	0
	-14,796,751	46,475,913

Jamaica Fibreglass Products Limited
Statement of Changes in Equity
Period ended 30 September 2021

	Number of Shares	Share Capital	Retained Earnings	Total
Balance at 30 September 2020	1,000	1,000	209,941,431	209,942,431
Prior year Adjustment			-6,632,882	-6,632,882
Net profit, being total comprehensive income	-	-	3,528,579	3,528,579
Balance at 30 September 2021	-	1,000	206,837,128	206,838,128

Jamaica Fibreglass Products Limited
Notes to Interim Financial Statements
Third quarter ended September 30,2021

1. PROPERTY, PLANT AND EQUIPMENT

	Building and improvements	Construction in Progress	Motor Vehicles	Molds & Modules	Furniture & Fixtures	Plant, Tools and Equipment	Solar, Light bulbs and AC	Computer & software equipment	Total
	\$		\$	\$	\$	\$	\$	\$	\$
At cost-									
At 1 January 2021	107,895,609	1,530,893	46,430,563	41,670,112	1,761,012	69,183,522	25,607,865	11,934,941	306,014,518
Additions	0	(881,774)	-	-	-	534,021	0	1,351,831	1,004,079
Adjustment									
Disposals			(8,638,999)	-					(8,638,999.15)
At 30 September 2021	107,895,609	649,119	37,791,564	41,670,112	1,761,012	69,717,543	25,607,865	13,286,772	298,379,598
Depreciation:									
At 1 January 2021	21,840,048	-	35,194,718	19,793,303	1,760,960	68,880,468	9,602,950	9,731,595	166,804,042
Charge for the year	1,542,668	-	4,505,574	3,125,259	0	47,413	1,295,124	1,201,563	11,717,601
Disposal			(6,887,500)						(6,887,500)
At 30 September 2021	23,382,717	-	32,812,792	22,918,562	1,760,960	68,927,881	10,898,074	10,933,158	171,634,143
Net book value									
30-Sep-21	84,512,893	649,119	4,978,772	18,751,551	52	789,662	14,709,792	2,353,614	126,745,455

Property, plant, and equipment are stated at historical cost, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. The land is carried at cost and is not depreciated.

Depreciation is calculated on a straight-line method at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Current annual rates of depreciation are:

Buildings & building improvements	2.5%
Molds & modules	10 %
Plant, tools, and equipment	10 %
Solar, air condition units & light bulbs	7.5 %
Computer software & equipment	12.5 %
Furniture, fixtures & display units	10 %

The assets' residual values and useful lives are reviewed periodically for impairment. Where the assets' carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant, and equipment are determined by comparing the proceeds with the carrying amount and are recognized in other income in the statement of comprehensive income.

Repairs and maintenance expenditure are included in the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that the future economic benefits in excess of the initially assessed standard of performance of the existing asset will flow to the Company.

The cost of self-constructed assets includes the cost of materials, direct labour, and related cost to put the asset into service. Borrowing costs, including but not limited to, interest on borrowings and exchange differences arising on such borrowings, that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalized as part of the cost of that asset.

2. INVESTMENTS

	<u>Sep-21</u>	<u>Sep-20</u>
GK Capital	38,633,739	-
	<u>38,633,739</u>	

3. DEFERRED TAX ASSET

	<u>Sep-21</u>	<u>Sep-20</u>
Balance b/fwd: as at 1 January	8,012,074	8,012,074
Current charge	4,227,051	
Balance as at 31 September	<u>12,239,125</u>	<u>8,012,074</u>

4. INVENTORIES

	<u>Sep-21</u>	<u>Sep-20</u>
Raw materials	25,262,109	39,011,942
Work-in-progress	3,756,947	32,119,791
	<u>29,019,057</u>	<u>71,131,733</u>

Estimation – Inventories are carried at the lower of cost and net realizable value. The estimation of net realizable value is based on the most reliable evidence available, at the time the estimates are made, of the amount the inventories are expected to realize. Additionally, estimation is required for inventory provision due to shrinkage, slow-moving, and obsolescence.

5. RECEIVABLES

	<u>Sep-21</u>	<u>Sep-20</u>
Trade receivables	85,667,775	27,224,062
Provision for Bad Debt	(2,937,336)	-
Deposit on storage rental	488,306	159,318
Staff loan	10,118,100	7,361,743
Upheld expenses		
Other receivables	1,792,007	3,643,136
	<u>95,128,852</u>	<u>38,388,259</u>

Trade receivables are carried at anticipated realizable value. A provision is made for impairment of trade receivables when it is established that there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. When the trade receivable is uncollectible, it is written off against the allowance for trade receivables. Subsequent recoveries of amounts previously written off are credited to the profit and loss.

6. CASH AND CASH EQUIVALENTS

	<u>Sep-21</u>	<u>Sep-20</u>
Current accounts	45,899	46,065,535
Savings accounts	65,636	65,636
Deposits	131,921	131,675
Cash balance	209,026	213,067
	<u>452,482</u>	<u>46,475,913</u>

7. TRADE AND OTHER PAYABLES

	<u>Sep-21</u>	<u>Sep-20</u>
Trade payables	43,109,560	29,151,152
Customer deposits	25,106,194	23,759,858
Statutory liabilities	24,263	1,962,174
GCT payable	1,475,146	4,666,102
Other liabilities	(4,129,446)	(2,785,289)
	<u>65,585,717</u>	<u>56,753,997</u>

8. DIRECTORS CURRENT ACCOUNT

	<u>Sep-21</u>	<u>Sep-20</u>
Balance b/fwd: 1 January	-	41,376,695
Addition/ (decrease)	60,555,290	
Balance c/fwd: 31 December	<u>60,555,290</u>	<u>41,376,695</u>

9. FINANCE LEASE OBLIGATIONS

	<u>Sep-21</u>	<u>Sep-20</u>
Finance lease obligations	7,687,991	12,235,716
Current portion	(3,585,784)	(4,526,529)
	<u>4,102,207</u>	<u>7,709,187</u>

10. LONG TERM LOANS

	<u>Sep-21</u>	<u>Sep-20</u>
(i) National Commercial Bank Limited	27,669,342	31,496,457
(ii) National Commercial Bank Limited	10,465,899	22,035,677
(iii) National Commercial Bank Limited	8,430,198	9,715,476
(iv) National Commercial Bank Limited	19,799,486	
Total borrowings	<u>66,364,925</u>	<u>63,247,610</u>
Non-current portion	(32,721,241)	(11,085,410)
	<u>33,643,684</u>	<u>52,162,200</u>

Debt is classified as current when the Company expects to settle the liability in its normal operating cycle, it holds the liability primarily for trading, the liability is due to be settled within 12 months after the date of the statement of financial position, or it does not have an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position; Otherwise, it is classified as long-term. After initial recognition, Debt is measured at amortized cost using the effective interest rate method, less any impairment, with gains and losses recognized in net income in the period that the liability is derecognized.

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalized as part of the cost of these assets. Capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred

11. IDENTIFICATION AND PRINCIPAL ACTIVITY

Jamaica Fibreglass Products Limited, (the Company) is incorporated and domiciled in Jamaica. The registered office of the company and principal place of business is located at 155 Spanish Town Road, Kingston, Jamaica.

The Company's principal activities are the manufacturing and distribution of custom-built commercial furnishings and the financial statements are stated in Jamaica dollars, which is the functional currency of the Company

12. BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with IAS 34, interim reporting and should be read in conjunction with the audited financial statements for the year ended December 31,2020, which have been prepared in accordance with IFRS and comply with the Jamaican Companies Act.

13. REVENUE RECOGNITION

(i) Sale of goods

Revenue is recognized when the performance obligation, satisfied at a point-in-time to transfer goods and or services to the customer is complete. Completion is assessed when the customer takes control and or obtains the benefits of the goods and /or services, and the company has a present right to payment as evidence by an invoice or the right to invoice.

(ii) Finance income

Finance income comprises interest-earned on invested funds. Interest income is recognized in profit or loss as it accrues, taking into account the effective yield on the asset.

(iii) Other operating income

Other operating income includes gains on disposal of assets, recognized when the asset is sold, foreign exchange gains and miscellaneous inflows recognized when received.

SECTION 13

EXPERTS' CONSENTS

MCKENLEY & ASSOCIATES, CHARTERED ACCOUNTANTS



2 Seymour Avenue, Unit 11
Seymour Park, Kingston 6
Phone: (876) 978-3129 / (876) 978-9789
Fax: (876) 927-6409
Website: www.wmckenley.com

February 8, 2022

The Directors
Jamaica Fibreglass Products Limited
155 Spanish Town Road
Kingston 11

Dear Sir(s):

Consent Letter for Inclusion of Auditor's Report in Prospectus of Jamaica Fibreglass Products Limited

Reference is made to the above-mentioned Prospectus which has been signed for and on behalf of Jamaica Fibreglass Products Limited (the "Company") by the Directors of the Company.

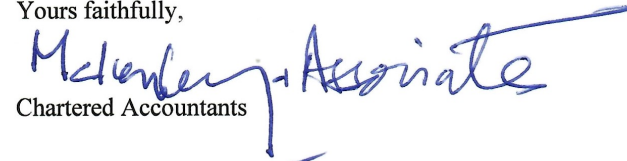
In accordance with Section 42 of the Companies Act 2004 (Expert's consent to issue of prospectus containing statement by him), Mckenley & Associates, Chartered Accountants, hereby consents to the issue of the Prospectus with the inclusion therein of:

- a) The Company's audited financial statements for the year ended December 31, 2020 and our Independent Auditor's Report thereon dated April 01, 2021;
- b) A summary of the Company's third quarter results which utilize extracts from the Company's unaudited nine (9) months financials ended September 30, 2021.

We confirm that we have not withdrawn our consent before delivery of a copy of the Prospectus to the Companies Office of Jamaica or the Financial Services Commission for registration.

This consent letter should not be regarded as in any way an update or qualification to the aforementioned financial reports or that we performed any procedures or services subsequent to the date of such reports.

Yours faithfully,


Chartered Accountants

KEN HOLGATE AND COMPANY, REGISTERED PUBLIC ACCOUNTANTS

KEN HOLGATE AND COMPANY
REGISTERED PUBLIC ACCOUNTANTS

SHOP 22 MAY PEN ARCADE
MAY PEN
TEL/FAX: (876) 986-2235
CELL: (876) 381-0643
EMAIL: kenholgate@cwjamaica.com

12 WESTMINSTER CRESCENT
KINGSTON 10
TEL: (876) 920-7241 / 4169, 968-5635-6
FAX: (876) 929-6520
EMAIL: palm.assoc@gmail.com

December 6, 2021

The Directors
Jamaica Fibreglass Products
155 Spanish Town Road
Kingston 11.

Dear Sirs:

Re: Prospectus for Audited Financial Statements for Y/A's years ended 31st December 2017, 2018 and 2019

We have given and have not withdrawn our consent to the inclusion of our name, for reports and all references thereto in the Prospectus of Jamaica Fibreglass Products.


KEN HOLGATE & COMPANY
REGISTERED PUBLIC ACCOUNTANT

/yd.

Kenneth L. Holgate F.C.I. - Manager
Motto: "If you cannot come to us, we will come to you."

SECTION 14

DIVIDEND POLICY

The Directors anticipate a payment of an annual dividend of between 40% and 80% of the annual profits after tax, where such profits are available for distribution, and subject to the Company's need for reinvestment of some or all of its profits from time to time in order to finance its further growth and development.

SECTION 15

MATERIAL CONTRACTS AND DOCUMENTS

The Company manufactures furniture and other products on a contract-by-contract basis, and therefore does not keep stock of finished products. The Company does however keep stock of raw material used in the manufacturing process. Its relationships with its suppliers are long-standing and exist on the basis of ongoing dealing in the ordinary course of business.

The following is a list of the Company's material (written) contracts as at date of this Prospectus being the last practicable date prior to the publication of this Prospectus, and earlier (as the case may be):

NO	COUNTERPARTY	TYPE OF CONTRACT	EFFECTIVE DATE	TENURE
i.	Mundo Finance Limited	Sale and Solar Services Agreement	1.08.2016	Seven (7) years
ii.	Mundo Finance Limited	Energy Services Agreement	01.08.2016	Seven (7) years
iii.	National Commercial Bank Jamaica Limited	Credit Facility Agreement	11.10.2021	Indefinite
iv.	JFP Property Investments Limited	Lease Agreement	10.12.2021	Two (2) years

SECTION 16

RISK FACTORS

Changes in fiscal and monetary policies introduced by the Government of Jamaica may affect the behaviour of capital markets including the Junior Market. Such changes in policies may create opportunities as well as challenges for the Company. This is a risk that is not faced by the Company alone but also, by any trading business, although the risk could have particular impact on its particular business model.

OPERATIONAL RISK

The Company is subject to the risk of loss resulting from disruptions to its business, inadequate or failed internal processes, people and systems, or from external events (including severe weather, other Acts of God, social unrest or insurrection). This definition also includes systemic risk (including the risk of accounting errors, failure to procure appropriate insurance coverage, and compliance failures), legal risk and reputation risk. This catch-all category of risks also includes employee errors, computer and manual systems failures, security failures, fire, floods or other losses to physical assets, and fraud or other criminal activity or any other risk that affects the volume of visitor arrivals to the island. The Company is prudent and therefore, it insures itself against some (but not all) of these risks: for instance, the Company is insured in respect of damage to its business by fire, flood or other physical damage. It may not be feasible for the Company to insure itself in respect of all of the risks mentioned, because no coverage may be available or it may not be economical to do so.

NEW ACCOUNTING RULES OR STANDARDS

The Company may become subject to new accounting rules or standards that differ from those that are presently applicable. Such new accounting rules or standards could require significant changes in the way the Company currently reports its financial position, operating results or cash flows. Such changes could be applied retrospectively. This is a risk that is not faced by the Company alone but also, by any trading business.

ADMISSION OF THE SHARES TO THE JUNIOR MARKET

After the Closing Date, and assuming that the Company is able to raise at least J\$100 million for its own benefit as a result of the Invitation by the Closing Date, the Company will make application to the JSE to admit the Shares to the Junior Market. However, the Company is not able

to guarantee the full subscription of the Shares in the Invitation or the admission of the Shares to the Junior Market.

VOLATILITY IN PRICE OF SHARES

Following their proposed admission to trading on the Junior Market, the Shares may experience volatility in their market price which may extend beyond the short term and which may be dependent on the Company's financial performance, as well as on investors' confidence and other factors over which the Company has no control.

REVOCAION OF TAX CONCESSIONS RISK

If the Invitation is successful in raising at least J\$100 million in the initial public offering by the Closing Date, and the Company is admitted to the Junior Market, it must remain listed on the JSE trading platforms for a period of fifteen (15) years in order to be eligible for the concessionary tax regime described in Section 18.

The instrument governing the concessionary tax regime is the Income Tax Act (Jamaica Stock Exchange Junior Market) (Remittance) Notice dated 13 August 2009, which was made by the Minister of Finance under section 86 of the Income Tax Act (and subsequently renewed). The instrument provides that if the Company is de-listed at any time during the fifteen (15) year period, it will become retrospectively liable to pay corporate income tax at the rate that would otherwise have been applicable to it during the concessionary period.

KEY PARTNERS

The Company relies on its key and ongoing business relationships with major customers, such as the players in the telecommunications services industry, as well as the fast food and hotel industries. If the Company's relationship with any of these parties is disrupted or terminated for any reason, the Company would have to identify new customer bases. However, this risk may be mitigated against by the Company's intention to continually diversify its customer base and product offerings.

UNINSURED RISKS

The Company has procured insurance in respect of certain risks facing its business, as described in Section 8.10 of this Prospectus. If the Company suffered loss or damage to its property or facilities or as a result of a claim by a

third party and was not able to claim successfully under its policies of insurance for that purpose its finances could suffer and its operations could be disrupted temporarily or permanently. The Company does however have substantial insurance cover that includes various types of business interruption which would allow it to mitigate against losses occasioned by an interruption of business.

REGULATORY COMPLIANCE

As the Company owns and operates a factory, it is subject to a certain degree of regulation in respect of its business, which includes health and safety regulations. Failure to comply with any such regulations may affect the Company's profitability.

SECTION 17

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected on appointment at the offices **Messrs. MH&CO., Attorneys-at-Law** between the hours of 9:00 a.m. and 4:00 p.m. on Monday to Friday, up to and including the Closing Date (or the extended Closing Date, as the case may be):

1. The Articles of Incorporation of the Company.
2. The Company's Certificate of Incorporation.
3. The Company's Change of Name Certificate and Certificate of Incorporation issued upon Change of Name.
4. The Company's Tax Compliance Certificate.
5. Status Letter from the Company's Office of Jamaica along with all related documents detailing the changes in share capital and shareholding of the Company.
6. The Auditor's Report and Accountant's Report.
7. The regulatory information referred to in Section 8.7.
8. The documentation for the insurance arrangements referred to in Section 8.10.
9. The Certificate of Renewal of Trademark mentioned at Section 18.
10. The consent of the Auditor set out in Section 13.
11. The material contracts referred to in Section 15.

SECTION 18

STATUTORY AND GENERAL INFORMATION

Statutory Information required to be set out in this Prospectus by section 41 and the Third Schedule to the Companies Act and other general information follow.

1. The Company was incorporated on October 8, 1985, and its registered office is 155 Spanish Town Road, Kingston 11, Saint Andrew.
2. The Company has no founders or deferred shares.
3. The Articles of Incorporation fix no shareholding qualification for the Directors (**Article 98**) and none has been otherwise fixed by the Company in general meeting.
4. The Articles of Incorporation contain the following provisions with respect to the remuneration of the Directors:

Remuneration of Directors

96. The remuneration of the Directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.
97. Any Director who serves on any committee or who devotes special attention to the business of the Company, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.
99. A Director of the Company may be or become a Director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer, of or from his interest in, such other company unless the Company otherwise direct.
100. Subject to the Act, a Director of the Company may be or become a director or other officer of, or otherwise interested in, any body corporate promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other body corporate unless the Company otherwise directs. The Directors may exercise the voting power conferred by the shares in any such other body corporate held or owned by the Company or exercisable by them as directors of such other body corporate, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them Directors or other officers of such body corporate), and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or about to be, appointed a director or other officer of such body corporate, and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.

Directors May Contract with the Company

107. (1) A Director or officer of the Company who is, in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company in the circumstances described in section 193 (1) of the Act shall disclose the nature and extent of his interest in accordance with the provisions of section 193 of the Act and a record shall be kept of such interest at the registered office of the Company.
- (2) Such a contract or proposed contract mentioned above must be subject to the Board's approval in accordance with section 193 (2) of the Act and the Director concerned shall not be present during any proceeding of the Board in connection with the approval but neither of these prohibitions shall apply to:-
- any arrangement for giving any Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; or
 - any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or
 - any contract by a Director to subscribe for or underwrite shares or debentures of the Company; or
 - any contract or arrangement with any other company in which he is interested only as an officer of the Company or as holder of shares or other securities;
 - any act or thing done under Article 108, and these prohibitions may at any time be suspended or released to any extent, and either generally or in respect of any particular contract, arrangement or transaction, by the Company in General Meeting.
- (3) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

Payment of Pensions, Etc. to Directors

110. The Directors may establish or arrange any contributory or non-contributory pension or superannuation scheme for the benefit of, or pay a gratuity pension or emolument to any person who is or has been employed by or in the service of the Company, or any subsidiary of the Company, or of its holding company or to any person who is, or has been, a Director or other officer of the Company or any such subsidiary, or a subsidiary of its holding company and the widow, family or dependents of any such person. The Directors may also make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or emolument. Provided that any Director shall be entitled to retain any benefit received by him hereunder, subject only, where the Act requires, to proper disclosure to the members and the approval of the Company in General Meeting.

5. The names of the Directors appear in Section 10.1 of this Prospectus. The residential addresses of the respective directors are as follows:

DIRECTOR	RESIDENTIAL ADDRESS
Metry Seaga	8 Mignott Place, Townhouse 12, Heathwood Manor, Kingston 8, Saint Andrew
Stephen Sirgany	2 Enman Avenue, Acadia, Kingston 8, Saint Andrew
Richard Sirgany	1511 NW 109th Terrace, Pembroke Pines, FL 33026
Ian Kent Levy	60 Hagley Park Road, Kingston 10, Saint Andrew,
Marie McMorris	6110 Marinel Say Drive, Davie, FL 33314
Adrian Mitchell	Apt 5, 16 Sandhurst Crescent, Kingston 6, Saint Andrew
Julie Thompson- James	9b Stillwell Road, Kingston 8, Saint Andrew

6. The minimum amount required to be raised out of the proceeds of the Invitation to provide for the matters set out in paragraph 2 of Part 1 of the Third Schedule to the Companies Act (the "minimum subscription") is at least J\$100 million with respect to the Shares in the Invitation.
7. The Invitation will open for subscription at 9:00 a.m. on February 21, 2022 and will close at 4:30 pm on the Closing Date, February 28, 2022, subject to the Company's right to close the application list at any time after 9:00 a.m. on the Opening Date if Applications have been received for an amount in excess of the Shares offered under this Prospectus, or to extend the Closing Date for any reason whatsoever.
8. All Applicants (including Reserved Share Applicants) will be required to pay in full the Subscription Price of \$1.00 per Share. No further sum will be payable on allotment, save for any fees payable to the JCSD and any fees charged by your broker(s).
9. No previous offer of Shares has been made to the public.
10. Save for the entitlement of the Reserved Shares Applicants, no person has, or is entitled to be given, any option to subscribe for and or/purchase shares in, or debentures of, the Company.
11. As at the date of this Prospectus, the aggregate principal amount of indebtedness of the Company is approximately J\$33 million and US\$26,200.00 which includes:
- J\$16 million collectively loaned to the Company from the Richard Sirgany, Eurobian Limited and JKZ Limited. There is no specified term for this interest free collective loan and same maybe prepaid by the Company without notice and without a prepayment penalty.
 - J\$13 million in relation to a solar lease finance arrangement with Mundo Finance Limited. The interest rate for this arrangement is 9.5% per annum; and
 - unsecured credit card facilities of US\$26,200.00 at a 17% variable interest rate per annum and J\$4,000,000.00 at 35% variable interest rate per annum. These credit facilities are for use in daily business activities.
12. Details of the Company's real property is set out in Section 8. There is no amount for goodwill, patent, or trademarks shown in the financial statements of the Company and there is no contract for sale and purchase which would involve any goodwill, patent or trademark.
13. As at the date of this Prospectus, the Company holds no investments.
14. No amount is currently recommended for distribution by way of dividend. The Company's dividend history, and its dividend policy following admission to the Junior Market, is described in Section 14.
15. Within the two (2) preceding years, no commissions have been paid, nor will any be payable to anyone for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares or debentures of the Company.
16. The Company expects to pay the expenses of the Invitation out of the proceeds of its fundraising and the Company estimates that the expenses in the Invitation will not exceed approximately J\$25 million, inclusive of General Consumption Tax, which includes fees for the following services:
- Arranger, Co-Arranger, financial advisory and brokerage fees;
 - Legal fees;
 - Auditor's and Accounting fees;

- d) Statutory fees including initial listing fees;
- e) Marketing expenses; and
- f) Registrar and Transfer Agent fees.

17. The issue is not underwritten.

18. The material contracts of the Company are set out in Section 15.

19. The name and address of the auditors to the Company are:

- a) 2020 - McKenley & Associates, Chartered Accountants, Suite #11, 2 Seymour Avenue, Seymour Park, Kingston 6, Saint Andrew.
- b) 2017, 2018 & 2019 - Ken Holgate & Co., Registered Public Accountants, 12 Westminster Crescent, Kingston 10, Saint Andrew; and
- c) 2016 - Global Accounting, Auditing & Tax Services, 19 Caledonia Mall. P.O Box 1316, Mandeville, Manchester.

20. McKenley & Associates, Chartered Accountants have given and have not withdrawn their consent to the issue of this Prospectus with the inclusion of the Auditor's Report and historical financial information and their name in the form and context in which it is included. Ken Holgate & Co., Registered Public Accountants have also given and have not withdrawn their consent to the issue of this Prospectus with the inclusion of the ant report and historical financial information and their name in the form and context in which it is included. However, due to issues locating a representative from Global Accounting, Auditing & Tax Services, the Company requested from and was granted a waiver by the Registrar of Companies to proceed with this Prospectus in the absence of their consent.

21. The Company was incorporated on October 8, 1985, and has carried on business since that date. The Company has no subsidiaries.

22. Within the last two (2) years preceding the date of this Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any promoter, save for GK Capital Management Limited, for arrangement, financial advisory and brokerage services associated with the Invitation and listing on the JSE or any other agents or brokers appointed by the Company.

Litigation

23. As at the date of this Prospectus, the Company is not involved in any litigation, arbitration or similar proceedings pending and/or threatened against the Company.

Applicable Regulatory Regime

24. The current business of the Company does not require it to be regulated as a bank, financial institution or as an insurer. However, the Company will be regulated by the Securities Act and the JSE Rules after listing on the Junior Market of the JSE.

Dividends

25. Save for the dividends recently declared and paid as detailed in Section 11, the Company has not declared and paid dividends over the past five (5) financial years.

Taxation

26. Companies that successfully apply for admission to the Junior Market of the JSE will benefit from a concessionary tax regime, details of which are set out below:

- On August 13, 2009, the Minister of Finance issued the Income Tax Act (Jamaica Stock Exchange Junior Market) (Remission) Notice 2009 under section 86 of the Income Tax Act. The Remission Notice provides that Jamaican Junior Market companies are not liable to pay corporate income tax in the first five (5) years after listing (e.g. they will benefit from a full income tax exemption). The Remission Notice also provides that in years six (6) to ten (10) of listing, Jamaican Junior Market companies are liable to pay corporate income tax at half of the normal rate (e.g. they will benefit from a 50% income tax exemption). The tax concessions require Jamaican Junior Market companies to maintain their listing on the JSE (on either or both of the Main or Junior Markets) for a period of fifteen (15) years. If such a Company is de-listed at any time during the fifteen (15) year period, it will become retrospectively liable to pay corporate income tax at the rate that would otherwise have been applicable to it during the concessionary period.
- Section 17(1)(d) of the Transfer Tax Act provides that transfers of shares made in the ordinary course of business on the JSE will not attract transfer tax.
- The Schedule to the Stamp Duty Act provides that transfers of shares in the ordinary course of business on the JSE will not attract Stamp Duty.
- Section 12(v) of the Income Tax Act provides that profits or gains from transactions in shares carried out on the JSE that accrue to an individual that does not hold himself out as a dealer are exempt from income tax, where such profits or gains do not exceed one half of that person's statutory income

from all other sources for the year of assessment, or (where the person so elects) those profits or gains which, taken with profits or gains (or losses) on such transactions by him/her in the two (2) immediately preceding years of assessment, do not exceed one half of that persons statutory income from all other sources for the year of assessment and those two (2) preceding years.

- Section 34(1) paragraph 6 of the Income Tax Act provides that payments of interest or other payments made to holders of shares out of the assets of a company that is quoted on a recognized stock exchange, including the JSE, are exempt from income tax.
- Prospective investors should seek advice on the taxation of Junior Market companies and their prospective investment in the Company from a professional advisor and should not rely on the summary set out above.

SECTION 19

APPLICATION PROCEDURES AND TERMS & CONDITIONS OF INITIAL PUBLIC OFFER

1. All Applicants must submit an Application Form to GK Capital Management as provided at **Appendix 1** to this Prospectus or by any other approved online application portal used by an Appointed or Selling Agent for the Invitation. Reserved Share Applicants shall apply by indicating which pool of Reserved Shares is applicable.
 - a. Copy of valid identification (Driver's Licence, Passport or National ID) for all individual Applicants
 - b. Copy Tax Registration Number card for all Applicants resident in Jamaica (NB: if the document tendered at Item 1 is the Jamaican driver's licence, this will not be required).
 - c. Payment or proof of payment using an Approved Payment Method (where applicable)
2. All Applicants will be deemed to have accepted the terms and conditions of the Invitation and any other terms and conditions set out in this Prospectus, including any terms and conditions set out in this Section 19 and **Appendix 1**. If you utilize an Appointed or Selling Agent's approved portal, you should comply with the instructions provided by such Appointed or Selling Agent. If you choose to apply using a paper Application Form, your duly completed and signed Application Form with the following supporting documents should be delivered to 58 Hope Road, Kingston 6 on or before 4:00 pm on the Closing Date. Your Application will be deemed incomplete if the applicable supporting documents are not included.

Supporting Documents

 - a. Copy of valid identification (Driver's Licence, Passport or National ID) for all individual Applicants
 - b. Copy Tax Registration Number card for all Applicants resident in Jamaica (NB: if the document tendered at Item 1 is the Jamaican driver's licence, this will not be required).
 - c. Payment or proof of payment using an Approved Payment Method (where applicable)
3. Each Applicant acknowledges and agrees that:
 - a) he/she has been afforded a meaningful opportunity to review the Prospectus (including the terms and conditions set out in this Section 19), and to gather and review all additional information considered by him/her to be necessary to verify the accuracy of the information contained in this Prospectus; and
 - b) no person connected with the Company has made any representation concerning the Company or this Prospectus not contained in this Prospectus, on which the Applicant has relied in submitting his/her Application Form.
4. Application Forms from the Non-Reserved Share Pool, Key Strategic Partners Reserve Pool, GK Investments Reserve Pool and Employees Reserve Share Pool must request a minimum of 1000 Shares and Applications

above this amount shall be made in multiples of 1000. Application Forms from Applicants in other denominations will not be processed or accepted.

5. All Application Forms must be submitted together with payment for the Shares in the form of either:
 - a) a manager's cheque made payable to "GK Capital Management Limited"; or
 - b) authorization from the Applicant on the Application Form, instructing GK Capital Management to make payment from cleared funds held with GK Capital Management in an investment account in the Applicant's name; or
 - c) transfer or direct deposit to GK Capital Management (details set out in the Application form attached herein).

All completed Application Forms must be delivered to GK Capital Management at 58 Hope Road, Kingston 6, Saint Andrew.

6. Applicants submitting paper or electronic applications through any Appointed or Selling Agent must pay such Appointed or Selling Agent who will submit their Application and make payment to the GK Capital Management on the Applicants behalf.
7. All Shares in the Invitation are priced at the Subscription Price of \$1.00 per Share.
8. Application Forms submitted to GK Capital Management in advance of the Opening Date (early applications) will be received but not processed until the Opening Date. All advance applications will be treated as having been received at 9:00 a.m. on the Opening Date: February 21, 2022 and shall be allotted pro rata. All Application Forms received from 9:00 a.m. onwards on the Opening Date will be time stamped for processing in the order in which they were received. That is, the Application Forms will be processed on a first come, first served basis. Application Forms that meet the requirements set out in this Section 19 will be processed.
9. For the purposes of paragraph 7. above the Directors, in their sole discretion, may:
 - a) accept or reject any Application Form in whole or part without giving reasons, and neither the Company nor the Directors shall be liable to any Applicant or any other person for doing so; and


b) treat multiple Applications by any person (whether in individual or joint names) as a single Application, or accept or reject multiple applications in its sole discretion.

10. Neither the submission of an Application Form by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Shares by the Registrar on behalf of the Company to an Applicant (whether such Shares represent all or part of those specified by the Applicant in his/her Application Form) will result in a binding contract under which the Applicant will be deemed to have agreed to subscribe for and or/purchase the number of allotted Shares at the Subscription Price, subject to the Articles Incorporation and these terms and conditions set out in Section 19.
11. If the Invitation is successful in raising at least J\$100 million for the benefit of the Company with respect to the Shares, respectively, in the Invitation, and the Shares are admitted to trade on the Junior Market, successful Applicants will be allotted Shares for credit to their account at the Registrar specified in their Application Forms. Applicants may refer to the informational notice that will be posted on the website of the JSE (www.jamstockex.com) after the Closing Date. Applicants who wish to receive share certificates must make a specific request to the Registrar.
12. With respect to refunds that are less than the RTGS threshold of J\$1 million, the Company will endeavour to return cheques for the amounts refundable to Applicants whose applications are not accepted, or whose application are only accepted in part, to GK Capital Management within ten (10) days after the Closing Date (or the extended Closing Date, as the case may be). Each refund cheque will be sent to GK Capital Management for collection by the Applicant (or the first-named joint Applicant) stated in the Application Form. Any other persons purporting to collect a cheque on behalf of the Applicant must be authorised in writing by the Applicant(s) to do so. All refunds of a quantum greater than the RTGS threshold of J\$1 million, will be refunded via RTGS to the account of origin.
13. Applicants must be at least eighteen (18) years old. However, Applicants who have not yet attained the age of eighteen (18) years, may apply jointly with Applicants who are at least eighteen (18) years of age.

SECTION 20

DIRECTORS' SIGNATURES

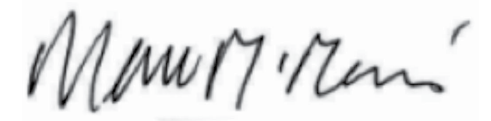
Ian Levy



Metry Seaga



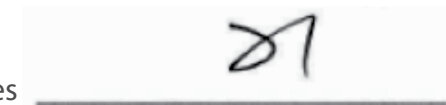
Marie McMorris



Stephen Sirgany



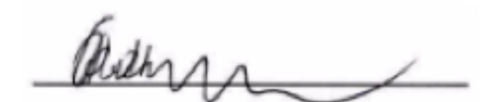
Julie Thompson- James



Richard Sirgany



Adrian Mitchell



APPENDIX I

APPLICATION FORM



JFP LIMITED INITIAL PUBLIC OFFER - APPLICATION FORM

PLEASE READ CAREFULLY BEFORE COMPLETING THIS FORM

To: JFP LIMITED (“JFP” or “the Company”)

Re: Invitation for Subscription for up to 280,000,000 ordinary shares (“the Application Shares”) in JFP Limited made pursuant to the Prospectus dated the 11th day of February 2022 (the “Prospectus”).

I/We confirm that I/we have read and understood and hereby agree to be bound by the terms and conditions contained in the Prospectus, all of which are incorporated in this Application Form by reference.

I/We hereby apply for _____ ordinary shares in JFP Limited on and subject to the terms and conditions of the IPO set out in the Prospectus at the price of JMD **1.00** each. I/We have made /remitted payment of the sum of JMD _____ for my/our subscription/purchase and the JCSD processing fee of JMD **172.50** (inclusive of GCT) with proof of payment attached or I/we request my broker to make payment on my/our behalf from cleared funds held by them in my /our names in account numbered _____, with them. I/We agree to accept the Application Shares or any smaller number in respect of which this application may be accepted, subject to the terms and conditions in the Prospectus and the Articles of Incorporation of JFP Limited, by which I/We agree to be bound. I/We request you to sell and/or transfer to me/us the number of Application Shares, which may be allocated to me/us at the close of the said IPO on the terms and conditions governing applications, as set forth in the Prospectus. I/We hereby agree to accept the Application Shares that may be allocated to me/us to be credited to an account in my/our name(s) in the Jamaica Central Securities Depository (JCSD).

Instructions to completing application form: All fields are relevant and must be completed. If you already have an account with the JCSD, please ensure that you indicate your JCSD Account number.

- Key Strategic Partners Reserve Pool
 GK Investments Reserve Pool
 Employees Reserve Pool
 Non-Reserved Share Pool

PRIMARY HOLDER									
Full Name of Applicant (Individual or Company)									
TRN			Occupation/ Line of Business						
Address Line 1									
Address Line 2									
Nationality or Country of Incorporation					Telephone (Home)				
Telephone (Work)			Telephone (Cellular)			Facsimile			
Email Address							Broker Code		
JCSD Number			Broker Account						

Signatures (Company) _____ **DIRECTOR** _____ **DIRECTOR/SECRETARY**

Signature (Individual) _____ **APPLICANT**

SEAL OR STAMP REQUIRED FOR COMPANIES

JOINT HOLDER(S)

Full Name (First Joint Holder)

TRN Occupation

Signature (Individual) _____ Date _____

Full Name (Second Joint Holder)

TRN Occupation

Signature (Individual) _____ Date _____

Full Name (Third Joint Holder)

TRN Occupation

Signature (Individual) _____ Date _____

PAYMENT VERIFICATION INFORMATION

Managers Cheque

Cheque Number Cheque Amount Institution

RTGS

Amount Confirmation/Reference # Institution

Sender's Account Name Sender Account #

**ALL APPLICANTS MUST INPUT THEIR TRN NUMBERS.
THIS OFFER IS NOT MADE TO PERSONS OUTSIDE JAMAICA**

TO BE COMPLETED WHERE REFUND OR DIVIDEND PAYMENT IS TO BE MADE

PLEASE INSERT YOUR RTGS INFORMATION

NAME OF BANK:	<input type="text"/>
BRANCH:	<input type="text"/>
SWIFT/BIC	<input type="text"/>
NAME(S) ON BANK ACCOUNT:	<input type="text"/>
ACCOUNT NUMBER:	<input type="text"/>
ACCOUNT TYPE:	<input type="text"/>
FOR FURTHER CREDIT TO:	<input type="text"/>

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

- All completed applications must be delivered to GK Capital Management Limited at 58 Hope Road, Kingston 6.
- Applications must be for a minimum of 1,000 shares with increments in multiples of 1000 shares. Applications in other denominations **will not** be processed or accepted.
- If you are a Reserve Share Applicant, please so specify at the top of the Application Form.
- All applicants must attach their payment for the specified number of Shares they have applied for, in the form of either:
 - A Manager's cheque made payable to GK Capital Management Limited, or
 - Authorization on the Application Form from the Applicant instructing GK Capital Management Limited to make payment from cleared funds held in an Investment account in the Applicants Name, or
 - Transfer in Real Time Gross Settlement (RTGS) system to:

GK Capital Management Limited

Beneficiary Bank: First Global Bank Limited
 BIC: FILBJMKN
 Branch: 28-48 Barbados Avenue, Kingston 5
 Account Name: GK Capital Management Limited
 Beneficiary Address: 58 Hope Road, Kingston 6
 Account Number: 990757139040
 Payment Reference: "Client Name" - JFP Limited IPO

- If you are applying jointly with another person, you must complete the Joint Holder Information and each joint holder **must** sign the Application Form in the place indicated.
- All Applicants must be at least eighteen (18) years old and must attach a certified copy of their T.R.N. card or Jamaican Driver's Licence displaying the T.R.N.
- Share Certificates will not be issued unless specifically requested through your broker. Instead, the shares allotted to a successful applicant will be credited to his account at the Jamaica Central Securities Depository ("JCSD"). If the applicant does not have a JCSD account, one will be created by your broker and the allotted shares deposited to that account.
- All Applicants are deemed to have accepted the terms and conditions set out in the Prospectus and the Articles of Incorporation of the Company generally.

THIS SECTION FOR USE BY BROKER ONLY

DATE APPLICATION RECEIVED: _____ **TIME RECEIVED** _____

PAYMENT METHOD: Cheque Electronic Transfer

PAYMENT AMOUNT: _____ **PAYMENT DATE:** _____

POOL: _____

Broker Authorised Signatory & Stamp



REGISTERED ADDRESS
155 Spanish Town Road,
Kingston 11, Saint Andrew

TELEPHONE
1-876-758-7966

WEBSITE
<https://www.jfpmfg.com>



JFP

COMMERCIAL
CONTRACT
FURNITURE
MANUFACTURERS

PROSPECTUS & OFFER FOR SALE