



COMMERCIAL | CONTRACT  
FURNITURE MANUFACTURERS

# UNAUDITED FINANCIAL STATEMENTS

## 4TH QUARTERLY REPORT

Twelve (12) months  
ending 31 December  
2024







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# REPORT TO THE SHAREHOLDERS

The Board of Directors is pleased to present the unaudited results of JFP Limited for the twelve-month period ended December 31, 2024.

## PROFIT AND LOSS

4th Quarter ending December 31, 2024

### Quarterly

Revenue declined by 50% from \$148.5M to \$74.5M compared to the corresponding quarter last year. Sales declined primarily due to setbacks in the completion of several forecasted projects. Cost of sales declined by 44% from \$73M to \$41M. Gross profit declined by 56% from \$75.4M to \$33.5M compared to the corresponding period last year. The company also saw a decline in gross profit margin which was recorded at 45% for this financial quarter compared to 51% for corresponding quarter last year.

Administrative expenses declined by 32% from \$95.9M to \$65M. Selling and distribution expenses increased from \$1.5M to \$6.5M, primarily due to accrued commissions for external sales agents on projects.

Finance cost decreased by 53% from \$7.6M to \$3.6M. This was due mainly to a decline in bank charges, interest expenses and foreign exchange losses.

Net loss for the period was \$41M compared to a net loss of \$29.10M made in the corresponding quarter of the previous year.

### Full year

Revenue declined by 1% from \$411.1M to \$407.5M. Gross profit margin declined from 52% to 36% due to increased cost of sales. The increase in cost of sales was driven by higher than projected costs on certain special design build contracts.

Operating expenses declined by 7% from \$250.8M to \$233.2M due primarily to cost reduction measures.

Full year net loss was \$107M compared to \$59M loss made in the corresponding period last year.



## BALANCE SHEET

Property, plant, and equipment increased by 6%, from \$78.1M to \$82.7M due to the acquisition of tools and equipment that have improved the production process. Investments decreased by 19%, from \$9.4M to \$7.7M, due to a decline in the value of equity holdings.

Inventory decreased by 18%, from \$116.7M to \$96M, driven by the completion of major projects which reduced the company's work-in-progress inventory.

Receivables increased by 20%, from \$147.3M to \$177.2M.

Shareholder's equity declined by 80%, from \$133.4M to \$26.6M primarily due to the loss incurred this quarter.

Non-current liabilities decreased by 9%, from \$144.8M to \$132.4M.

We sincerely appreciate our dedicated employees, committed shareholders, and supportive network of customers, suppliers, and stakeholders as we remain focused on strategies to drive growth and profitability



.....  
Metry Seaga  
Chief Executive Officer



# FINANCIAL STATEMENTS

## STATEMENT OF COMPREHENSIVE INCOME

	Twelve months to		Three months to	
	December 2024	December 2023	December 2024	December 2023
<b>Revenue</b>	407,487,668	411,154,058	74,533,139	148,468,045
Cost of Sales	(261,476,860)	(197,455,043)	(41,015,823)	(73,049,137)
<b>Gross Profit</b>	146,010,808	213,699,015	33,517,316	75,418,908
Other Income/(Loss)	(372,958)	640,747	518,166	532,976
	145,637,850	214,339,761	34,035,481	75,951,884
Administrative expenses	217,632,699	241,419,746	65,029,358	95,938,172
Selling and distribution expenses	15,576,024	9,351,576	6,470,636	1,453,061
	233,208,723	250,771,322	71,499,994	97,391,233
<b>Operating Profit</b>	(87,570,873)	(36,431,561)	(37,464,513)	(21,439,349)
Finance Income	14,383	12,919	4,438	6,017
Finance Costs	(19,305,132)	(22,545,823)	(3,561,149)	(7,638,277)
	(19,290,749)	(22,532,904)	(3,556,711)	(7,632,260)
<b>Operating profit before tax</b>	(106,861,622)	(58,964,465)	(41,021,224)	(29,071,609)
Taxation	-	-	-	-
<b>Net profit, being total comprehensive income for the year</b>	(106,861,622)	(58,964,465)	(41,021,224)	(29,071,609)
Earnings per stock unit (EPS)	(0.095)	(0.053)	(0.037)	(0.026)



# FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

**Non-current assets:**

Property, plant and equipment

Right-of-use assets

Investments

Deferred tax asset

**Current assets:**

Inventories

Receivables (Note 8)

Taxation recoverable

Related party

Directors' current account

Cash and cash equivalents

**Current liabilities:**

Payables (Note 9)

Current portion of finance lease obligations

Current portion- rights of use

Current portion of long-term loans

Bank overdraft

**Net current (liabilities) / assets**
**Shareholders' equity:**

Share capital

Retained earnings

**Non-current liabilities**

Finance lease obligations

Lease liability

Long term loans

Unaudited 4 <sup>th</sup> Quarter 12 months Ended December 2024 \$	Unaudited 4 <sup>th</sup> Quarter 12 months Ended December 2023 \$	Audited Full-year 12 months Ended December 2023 \$
82,704,498	78,087,635	78,087,635
104,938,560	120,110,400	120,110,400
7,658,560	9,448,000	9,448,000
12,239,125	12,239,125	12,239,125
95,952,651	116,654,207	116,654,207
177,248,936	147,347,976	147,347,976
1,950,183	1,950,183	1,950,183
1,662,948	8,305,111	8,305,111
27,256	21,161,384	21,161,384
37,911,011	46,915,795	46,915,795
314,752,984	342,334,656	342,334,656
331,531,642	245,624,907	245,624,907
-	-	-
26,712,040	34,535,002	34,535,002
5,043,832	3,818,605	3,818,605
-	-	-
363,287,513	283,978,514	283,978,514
(48,534,529)	58,356,142	58,356,142
159,006,214	278,241,302	278,241,302
121,274,271	121,274,271	121,274,271
(94,717,311)	12,144,311	12,144,311
26,556,960	133,418,582	133,418,582
-	-	-
102,989,649	116,330,162	116,330,162
29,459,605	28,492,558	28,492,558
159,006,214	278,241,302	278,241,302

Approved for issue by the Board of Directors on February 11, 2025 and signed on its behalf by:


**Metry Seaga**

Chief Executive Officer


**Stephen Sirgany**

Chief Operating Officer



# FINANCIAL STATEMENTS

## STATEMENT OF CHANGES IN EQUITY

FOR THE TWELVE (12) MONTHS ENDED DECEMBER 31, 2024

	Number of Shares	Share Capital ₹	Retained Earnings ₹	Total ₹
Balance at 31 December 2022	1,120,000,000	121,274,271	71,108,776	192,383,047
Net profit, being total comprehensive income		-	(58,964,465)	(58,964,465)
Adjustment				
Balance at 31 December 2023	1,120,000,000	121,274,271	12,144,311	133,418,582
Net profit, being total comprehensive income	-	-	(106,861,622)	(106,861,622)
Issue of shares during the year				
Balance at 31 December 2024	1,120,000,000	121,274,271	(94,717,311)	26,556,960



# FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOW

FOR THE NINE (12) MONTHS ENDED DECEMBER 31, 2024

	<u>Unaudited</u> <u>4<sup>th</sup> Quarter</u> <u>12 months Ended</u> <u>December</u> <u>2024</u> \$	<u>Unaudited</u> <u>4<sup>th</sup> Quarter</u> <u>12 months Ended</u> <u>December</u> <u>2023</u> \$	<u>Audited</u> <u>Full-year</u> <u>12 months Ended</u> <u>December 2023</u> \$
<b>Cash flows from operating activities:</b>			
Net profit	(106,861,622)	(58,964,465)	(58,964,465)
<b>Items not affecting cash resources:</b>			
Depreciation	9,529,724	7,844,730	7,844,730
Amortization of leases	15,171,840	15,171,840	15,171,840
Interest income	(14,383)	(12,919)	(12,919)
Gain on disposal	-	56,947	56,947
Prior year adjustment	-	-	-
Non-cash adjustment	-	-	-
Interest expense	16,931,788	1009,0034,	14,009,003
	(65,242,653)	(21,894,864)	(21,894,864)
<b>Changes in operating assets and liabilities:</b>			
Inventories	20,701,556	(23,853,597)	(23,853,597)
Receivables	(29,900,960)	18,722,811	18,722,811
Payables	85,906,735	72,670,874	72,670,874
Related party	6,642,163	(6,115,573)	(6,115,573)
Directors current accounts	21,134,128	(9,625,838)	(9,625,838)
Taxation recoverable	-	-	-
Taxation payable	-	(1,128,709)	(1,128,709)
	104,483,623	50,669,969	50,669,969
<b>Cash provided by operating activities</b>	<b>39,240,970</b>	<b>28,775,105</b>	<b>28,775,105</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, and equipment	(14,146,587)	(39,584,126)	(39,584,126)
Finance lease-rights of use	-	-	-
Proceeds from sale of fixed asset	-	-	-
Investment	1,789,440	952,000	952,000
Interest received	14,383	12,919	12,919
<b>Cash used in investing activities</b>	<b>(12,342,763)</b>	<b>(38,619,207)</b>	<b>(38,619,207)</b>
Purchase of property, plant, and equipment	(14,146,587)	(39,584,126)	(39,584,126)
Finance lease-rights of use	-	-	-
Proceeds from sale of fixed asset	-	-	-
Investment	1,789,440	952,000	952,000
Interest received	14,383	12,919	12,919
<b>Cash used in investing activities</b>	<b>(12,342,763)</b>	<b>(38,619,207)</b>	<b>(38,619,207)</b>
<b>Cash flows from financing activities</b>			
Interest paid	(16,931,788)	(14,009,003)	(14,009,003)
Share Capital	-	-	-
Finance Lease	(21,163,476)	(4,016,949)	(4,016,949)
Dividend paid	-	-	-
Loans, net (repayments)/receipts	2,192,273	32,311,163	32,311,163
<b>Cash used in financing activities</b>	<b>(35,902,991)</b>	<b>14,285,212</b>	<b>14,285,212</b>
<b>Net increase in cash and cash equivalents</b>	<b>(9,004,784)</b>	<b>4,441,109</b>	<b>4,441,109</b>
Net cash and cash equivalents at beginning of period	46,915,795	42,474,685	42,474,685
<b>Net cash and cash equivalents at end of the period</b>	<b>37,911,011</b>	<b>46,915,795</b>	<b>46,915,795</b>



# FINANCIAL STATEMENTS

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

JFP 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. Under Section 17 of the Companies Act, the Company changed its name to JFP Limited, effective 3rd December 2021.

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.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on March 14, 2022. As a consequence of listing, the Company's profit will be subjected to 100% tax remission for the first five (5) five years and thereafter, will be subjected to 50% tax remission for the next 5 years as long as the Company complies with certain Junior Market regulations.

### 2. BASIS OF PREPARATION

This condensed consolidated interim financial information has been prepared in accordance with IAS 34, Interim financial reporting.

The condensed interim financial information should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRSs and comply with the provisions of the Jamaican Companies Act.

### 3. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these un-audited financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2023.

# FINANCIAL STATEMENTS

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 4. USE OF ESTIMATES AND JUDGMENTS

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2023.

#### (I) Property, plant and equipment:

Items of property, plant and equipment are stated at cost less accumulated depreciation.

#### (II) Depreciation:

Depreciation is recognized on profit or loss on the straight- line basis, over the estimated useful lives of property, plant and equipment.

#### (III) Borrowings:

Borrowings are recognized initially as the proceeds received net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method with any difference between proceeds net of transactions costs and the redemption value recognized in income along with regular interest charges over the period of the borrowings.

#### (IV) Impairment:

Impairment provisions for trade receivables are recognized based on the simplified approach allowable under IFRS 9 using a provision matrix in the determination of the expected credit losses (ECL).



# FINANCIAL STATEMENTS

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 5. EARNINGS PER STOCK UNIT

The earnings per share (EPS) is computed by dividing the profit for the period by number of shares in issue for the twelve (12) month period of 1,120,000,000 (2023 – 1,120,000,000).

### 6. SHARE CAPITAL

#### Authorized:

10,000,000,000 shares (2023 – 10,000,000,000 shares)

#### Issued and fully paid:

1,120,000,000 shares (2023 – 1,120,000,000 shares)

### 7. TAXATION

#### Remission of income tax

By notice dated 13th August 2009, the Minister of Finance and the Public Service, issued and gazetted the Income Tax (Jamaica Stock Exchange Junior Market) (Remission) Notice, 2009. The Notice effectively granted a remission of income tax to eligible companies that were admitted to the Junior Market of the Jamaica Stock Exchange (JMJE) if certain conditions were achieved after the date of initial admission.

Effective March 14, 2022, the Company's shares were listed on the Junior Market of the JSE. Consequently, the Company is entitled to a remission of income taxes for ten years in the proportion set out below;

Years 1 to 5 (15 March 2022 – 11 March 2027) – 100%

Years 6-10: (15 March 2027 – 11 March 2032) – 50%

Provided the following conditions are met:

(I) The Company remains listed for at least 15 years and is not suspended from the JSE for any breaches of its rules.

(II) The Subscribed Participating Voting Share Capital of the Company does not exceed J\$500million

(III) The Company has at least 50 Participating Voting Shareholders

# FINANCIAL STATEMENTS

The financial statements have been prepared on the basis that the Company will have the full benefit of the tax remissions.

## 8. RECEIVABLES

	2024	2023
	\$	\$
Trade receivables	68,332,496	132,416,856
Prepayments and other receivables	<u>108,916,440</u>	<u>14,931,120</u>
	<u>177,248,936</u>	<u>147,347,976</u>

## 9. TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Trade payables	25,031,725	25,393,657
Customer deposits	259,879,460	125,008,347
Accruals and other payables	<u>46,620,458</u>	<u>95,222,902</u>
	<u>331,531,642</u>	<u>245,624,907</u>



# INFORMATION REGARDING SHAREHOLDERS

AS AT December 31, 2024

TEN LARGEST SHAREHOLDERS	NO. of Stock Units
JKZ Limited	274,976,394
Eurobian Limited	268,636,393
Richard Sirgany (Mrs. Nicola Sirgany)	188,184,834
Total Office (2006) Limited	108,250,819
GK Investment	92,539,113
PAM-Pooled Equity Fund	14,338,525
JFP Property Investment Ltd	9,539,000
Claudine Murphy (Jade Speer, Chanel Grainger)	5,873,993
Stephen Cole	3,513,703
Jiayong Liao	3,200,000
<b>SHAREHOLDINGS OF DIRECTORS</b>	
JKZ Limited (Owned by Stephen Sirgany)	274,976,394
Richard Sirgany (Mrs. Nicola Sirgany)	188,184,834
Eurobian Limited (Owned by Metry Seaga)	268,636,393
Stephen Sirgany (Mrs Lisa Sirgany-)	250,000
Adrian Mitchell	30,000
Lisa Bell	-
Chantal Bennett	-
Lissant Mitchell	-
<b>SHAREHOLDING OF SENIOR OFFICERS</b>	
JKZ Limited (Owned by Stephen Sirgany)	274,976,394
Eurobian Limited (Owned by Metry Seaga)	268,636,393
Stephen Sirgany (Mrs Lisa Sirgany)	250,000