

## CONDENSED CONSOLIDATED INCOME STATEMENT

J\$'000	Notes	UNAUDITED				AUDITED
		Three Months Apr to Jun		Six Months Jan to Jun		Year Jan to Dec
		2024	2023	2024	2023	2023
Revenue		7,666,452	7,475,133	15,284,546	14,277,380	27,719,929
Cost of sales		(3,780,630)	(3,796,029)	(7,788,270)	(9,291,354)	(16,418,152)
<b>Gross profit</b>		<b>3,885,822</b>	<b>3,679,104</b>	<b>7,496,276</b>	<b>4,986,026</b>	<b>11,301,777</b>
Administrative expenses		(311,145)	(267,881)	(516,505)	(506,755)	(1,134,564)
Selling expenses		(58,227)	(59,024)	(118,920)	(115,799)	(222,242)
Distribution and logistics expenses		(410,365)	(389,465)	(816,700)	(763,874)	(1,498,771)
Recovery of (increase in) impairment loss on trade accounts receivables		270	-	-	(138)	32
<b>Total operating expenses</b>		<b>(779,467)</b>	<b>(716,370)</b>	<b>(1,452,125)</b>	<b>(1,386,566)</b>	<b>(2,855,545)</b>
<b>Operating earnings before other income and other expenses</b>	9	<b>3,106,355</b>	<b>2,962,734</b>	<b>6,044,151</b>	<b>3,599,460</b>	<b>8,446,232</b>
Other income	10	25,051	6,888	26,982	6,888	18,640
Other expenses	10	(368,647)	(85,201)	(679,451)	(404,526)	(1,040,241)
<b>Operating earnings</b>		<b>2,762,759</b>	<b>2,884,421</b>	<b>5,391,682</b>	<b>3,201,822</b>	<b>7,424,631</b>
Financial income		101,165	29,231	169,024	36,522	128,408
Financial expenses		(22,735)	4,917	(54,446)	(93,587)	(193,120)
Loss on foreign exchange		(39,697)	(4,881)	(73,531)	(74,559)	(100,189)
<b>Earnings before taxation</b>		<b>2,801,492</b>	<b>2,913,688</b>	<b>5,432,729</b>	<b>3,070,198</b>	<b>7,259,730</b>
Taxation charge		(450,510)	(757,450)	(1,152,353)	(624,561)	(1,683,300)
<b>CONSOLIDATED NET INCOME</b>		<b>2,350,982</b>	<b>2,156,238</b>	<b>4,280,376</b>	<b>2,445,637</b>	<b>5,576,430</b>
<b>Basic and diluted earnings per share (expressed in \$ per share)</b>	3	<b>2.76</b>	<b>2.53</b>	<b>5.03</b>	<b>2.87</b>	<b>6.55</b>


## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

J\$'000	UNAUDITED				AUDITED
	Three Months Apr to Jun		Six Months Jan to Jun		Year Jan to Dec
	2024	2023	2024	2023	2023
<b>CONSOLIDATED NET INCOME</b>	<b>2,350,982</b>	<b>2,156,238</b>	<b>4,280,376</b>	<b>2,445,637</b>	<b>5,576,430</b>
<b>Items that will not be reclassified subsequently to the income statement:</b>					
Net actuarial gains from remeasurement of employee benefits obligation	-	-	-	-	196,961
Deferred income tax recognised directly in other comprehensive income	-	-	-	-	(49,240)
<b>Items that are or may be reclassified subsequently to the income statement:</b>					
Effects from derivative financial instruments designated as cash flow hedge	60,842	25,100	57,544	(51,454)	(94,387)
Total items of other comprehensive income (loss), net	60,842	25,100	57,544	(51,454)	53,334
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>2,411,824</b>	<b>2,181,338</b>	<b>4,337,920</b>	<b>2,394,183</b>	<b>5,629,764</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

J\$'000	UNAUDITED		AUDITED
	30.06.24	30.06.23	31.12.23
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5 9,461,975	2,648,222	4,021,335
Trade accounts receivable, net	497,392	316,939	340,944
Other accounts receivable	230,532	346,450	335,157
Inventories, net	4,310,249	4,531,005	4,851,293
Accounts receivable from related parties	60,312	42,367	10,945
Other current assets	187,100	774,315	160,387
<b>Total current assets</b>	<b>14,747,560</b>	<b>8,659,298</b>	<b>9,720,061</b>
<b>NON-CURRENT ASSETS</b>			
Property, machinery and equipment, net	24,851,140	22,831,392	23,392,664
Total non-current assets	24,851,140	22,831,392	23,392,664
<b>TOTAL ASSETS</b>	<b>39,598,700</b>	<b>31,490,690</b>	<b>33,112,725</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Other financial obligations	74,371	99,249	58,479
Trade payables	4,260,758	2,517,318	3,390,414
Accounts payable to related parties	808,976	318,854	359,084
Provisions	34,718	6,929	35,082
Other current liabilities	2,309,701	2,485,060	1,542,679
<b>Total current liabilities</b>	<b>7,488,524</b>	<b>5,427,410</b>	<b>5,385,738</b>
<b>NON-CURRENT LIABILITIES</b>			
Other financial obligations	109,727	91,226	120,912
Employee benefits obligation	846,456	970,523	818,919
Deferred income tax liabilities	2,695,585	2,464,250	2,672,494
Accounts payable to related parties	-	9,212	-
Provisions	67,246	95,248	61,420
<b>Total non-current liabilities</b>	<b>3,719,014</b>	<b>3,630,459</b>	<b>3,673,745</b>
<b>TOTAL LIABILITIES</b>	<b>11,207,538</b>	<b>9,057,869</b>	<b>9,059,483</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital:			
Ordinary shares	1,808,837	1,808,837	1,808,837
Capital contribution	3,840,224	3,840,224	3,840,224
Reserves:			
Realised capital gain	1,413,661	1,413,661	1,413,661
Other equity reserves	5,040,917	5,026,306	4,983,373
Accumulated net income	16,287,523	10,343,793	12,007,147
<b>Total shareholders' equity</b>	<b>28,391,162</b>	<b>22,432,821</b>	<b>24,053,242</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>39,598,700</b>	<b>31,490,690</b>	<b>33,112,725</b>

Approved and authorised for issue by the Board of Directors on July 17, 2024 and signed on its behalf by:

  
**Parris A. Lyew-Ayee**  
 Chairman

  
**Jorge Martinez**  
 Director

## DIRECTORS' STATEMENT

### Health and Safety

Caribbean Cement Company Limited (CCCL) continued to uphold exemplary standards in health and safety during the second quarter of 2024 and was recognised by Cemex, as one of the most improved cement plants at the company's Global Health and Safety Awards. This recognition underscores our commitment to fostering a safe and secure workplace for our employees, contractors, and visitors.

Another highlight of the quarter was our achievement of 611 consecutive days without a lost time incident, a demonstration of our dedication to robust safety initiatives, some of which included comprehensive emergency response training for our staff, and the implementation of a rest stop programme for our contracted drivers. These efforts are fundamental to the well-being of our workforce and to promoting strong safety values across our operations. Our contractor management programme also contributed significantly to maintaining a culture that prioritises health and safety.

Our Vulnerable Road User (VRU) programme continued in collaboration with our Supply Chain and Health and Safety departments through an interactive session at the Windward Road Primary School in East Kingston. This was used to educate students about proper road safety practices with an emphasis on blind spot awareness around large vehicles. Our ongoing commitment to initiatives like this VRU programme underscores our goal of achieving zero injuries while enhancing community safety. Likewise, the company staged its inaugural Health and Safety Summit for contracted haulers towards improved road safety practices and the prevention of vehicular accidents.

### Sustainability

In the area of sustainability, CCCL continues to make strides towards environmental stewardship. We were nominated in the Environmental, Social, and Governance (ESG) category at the Jamaica Chamber of Commerce's 39th annual awards, recognising our efforts in adopting ESG frameworks and positively impacting stakeholders.

As part of our ongoing commitment to environmental conservation, CCCL participated in the 'Great Mangrove Cleanup' alongside the GraceKennedy Foundation and its partners, Clean Harbour Jamaica, and the Dutch non-profit organisation, Ocean Cleanup. This initiative, spanning seven sites along the Kingston Harbour coastline, focused on removing waste and collecting valuable data on marine debris. A total of 197.5 kilograms (kgs) of waste was collected at our shared site along the Palisadoes strip, representing 85.5 kgs of non-plastics and 112 kgs of plastics. Our contribution to this project aligns with our 'Future in Action' goals, particularly in addressing climate change and striving for carbon neutrality. The company is now engaged in ongoing discussions with its global research and development arm based in Switzerland to potentially introduce a floating concrete structure designed to revitalise mangroves.

Under Cemex's Regenera business line dedicated to the reception, management, recycling, and coprocessing of waste, CCCL partnered with the Intellectual Property Unit of the Counter Terrorism and Organised Branch of the Jamaica Constabulary Force to coprocess 624 cases of counterfeit cigarettes. The energy produced during the combustion process serves as an alternative form of fuel for the cement-making process. This collaboration underscores our dedication to sustainable waste management and resource efficiency.

### Fostering Alliances for Socio Economic Growth

CCCL is committed to fostering strategic partnerships that contribute to national development and economic growth. We recently joined with the Jamaica Manufacturers

and Exporters Association (JMEA) and hosted the Minister of Industry, Investment and Commerce, Senator the Honourable. Aubyn Hill, and other key stakeholders, for a comprehensive tour of our Rockfort-based plant. This engagement highlighted our manufacturing capabilities and coprocessing activities.

We have also entered into a 25-year lease agreement with the government of Jamaica to develop the Rockfort Mineral Bath Complex. With a substantial investment of \$J57 million over five years, this initiative underscores our dedication to community development and by extension sustainable tourism.

### Financials

CCCL generated revenue of \$15.3 billion for the six-month period ended June 30, 2024, representing a 7% increase over the same period in 2023. Revenue for the quarter increased by 3% to \$7.7 billion compared to the same quarter last year.

"Operating earnings" for the six-month period were \$5.4 billion, marking a 68% increase from the \$3.2 billion reported for the same period in 2023. For the second quarter, "Operating earnings" were \$2.8 billion, 4% lower than the \$2.9 billion reported in 2023.

"Earnings before taxation" increased by 77% to \$5.4 billion for the first half of the year. For the quarter, "Earnings before taxation" were \$2.8 billion, a 4% decrease compared to the \$2.9 billion achieved during the same period last year. The improvement in "Earnings before taxation" for the first six months was primarily due to normalised operations, as the prior period incurred significantly higher costs from scheduled annual maintenance in the first quarter of 2023.

The overall "consolidated net income" for the first six months was \$4.4 billion, an 80% increase over 2023, resulting in "Earnings per share" of \$5.03, an increase of \$2.16. The net income for the quarter decreased to \$2.5 billion, which is 14.3% higher than the corresponding period in 2023, resulting in "Earnings per share" of \$2.76, an increase of \$0.23.

In terms of cash flows, "Net cash flows provided by operating activities" were \$4.6 billion and \$7.8 billion for the second quarter and the first half of the year respectively, of which \$5.2 billion was invested. The company maintained a strong liquidity position at the end of the six-month period, with a cash and cash equivalents balance of \$9.5 billion.

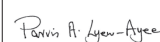
### Outlook

Looking ahead, CCCL remains committed to driving social impact through our concrete pavement solutions, effectively contributing to the development of communities across Jamaica. In furtherance of our social responsibility, we have extended support to neighbouring communities in Kingston, St. Thomas, and Clarendon through an emergency relief fund, providing cement, sand, aggregates, and other building materials to those most affected by the passage of hurricane Beryl.

As we enter the next quarter, we are preparing for our annual maintenance programme and remain vigilant amidst anticipated fluctuations in product demand due to prevailing weather conditions. Nevertheless, we are confident in our resilience and will continue to implement sound management strategies to navigate potential challenges.

We are also continuing to execute our planned expansion programme, which will reduce our carbon footprint, and increase our production capacity by up to 30 percent to bolster the national cement supply as well as allow exports to other markets.

At CCCL, we are strongly optimistic about the future and remain focused on our mission of 'Building a Greater Jamaica.' We are confident that our continued attention to safety, sustainability, strategic partnerships, and financial prudence will pave the way for sustained growth and greater success.

  
**Parris A. Lyew-Ayee**  
 Chairman  
 July 17, 2024

  
**Jorge Martinez**  
 Director  
 July 17, 2024

# CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2024

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

J \$'000	UNAUDITED				AUDITED
	Three Months Apr to Jun		Six Months Jan to Jun		Year Jan to Dec
	2024	2023	2024	2023	2023
<b>OPERATING ACTIVITIES</b>					
Consolidated net income	2,350,982	2,156,238	4,280,376	2,445,637	5,576,430
Adjustments for:					
Depreciation	436,246	369,057	863,223	736,376	1,509,191
Net (recovery of) increase in impaired receivables	(270)	-	-	138	(32)
Interest income	(101,165)	(29,231)	(169,024)	(36,522)	(128,408)
Interest expense	15,201	(13,437)	39,947	77,118	124,597
Taxation charge	450,510	757,450	1,152,353	624,561	1,683,300
Increase in rehabilitation provision	-	-	-	-	(15,499)
Inventory write off	155,649	-	272,386	-	254,987
Increase in inventory obsolescence provision	-	-	-	-	237,589
(Reversal of) increase in stockholding and inventory restructuring provision	(7,406)	(98,837)	(7,739)	2,010	(13,276)
Employee benefit expenses	2,997	2,872	5,994	5,744	11,487
Unwinding of discount on rehabilitation provision	2,913	5,536	5,826	11,071	22,142
Unwinding of discount on lease liabilities	3,832	2,996	7,884	5,410	13,047
Unrealised foreign exchange losses (gains), net	39,634	(23,339)	(21,047)	29,084	60,155
Changes in working capital, excluding taxes	1,384,903	(1,746,890)	1,798,641	472,296	(112,467)
<b>Net cash flow provided by operating activities before employee benefits paid, interest received, interest paid and taxation paid</b>	<b>4,734,026</b>	<b>1,382,415</b>	<b>8,228,820</b>	<b>4,372,923</b>	<b>9,223,243</b>
Employee benefits paid	(11,772)	(8,037)	(23,058)	(22,220)	(41,306)
Interest received	101,165	29,231	169,024	36,522	128,408
Interest paid	7,099	40,210	4,654	(22,990)	(6,661)
Taxation paid	(257,392)	(364,332)	(600,336)	(1,066,994)	(1,795,659)
<b>Net cash flows provided by operating activities</b>	<b>4,573,126</b>	<b>1,079,487</b>	<b>7,779,104</b>	<b>3,297,241</b>	<b>7,508,025</b>
<b>INVESTING ACTIVITY</b>					
Acquisition of property, machinery and equipment	(1,377,687)	(287,949)	(2,321,699)	(529,349)	(1,748,297)
<b>Net cash flows used in investing activity</b>	<b>(1,377,687)</b>	<b>(287,949)</b>	<b>(2,321,699)</b>	<b>(529,349)</b>	<b>(1,748,297)</b>
<b>FINANCING ACTIVITY</b>					
Repayment of long-term debt	-	-	-	(608,208)	(608,208)
Dividends paid	-	-	-	(15,420)	(1,630,580)
Other financial obligations:					
Repayment of lease liabilities	(19,751)	(21,851)	(42,100)	(43,024)	(84,625)
<b>Net cash flows used in financing activities</b>	<b>(19,751)</b>	<b>(21,851)</b>	<b>(42,100)</b>	<b>(666,652)</b>	<b>(2,323,413)</b>
Increase in cash and cash equivalents	3,175,688	769,687	5,415,305	2,101,240	3,436,315
Cash conversion effect, net	29,563	44,349	25,335	(27,475)	10,563
Cash and cash equivalents at beginning of period	6,256,724	709,733	4,021,335	574,457	574,457
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>9,461,975</b>	<b>1,523,769</b>	<b>9,461,975</b>	<b>2,648,222</b>	<b>4,021,335</b>
<b>Changes in working capital, excluding taxes:</b>					
Trade accounts receivable, net	3,795	(13,703)	(156,658)	(55,001)	(79,892)
Other current assets	(1,650)	(558,942)	28,545	(365,250)	252,744
Inventories	341,992	(209,395)	276,397	944,754	147,176
Trade payables	926,627	(287,627)	866,266	(802,971)	68,678
Provisions	(364)	-	(364)	-	(986)
Other current liabilities	114,503	(677,223)	784,455	750,764	(500,187)
<b>Changes in working capital, excluding taxes</b>	<b>1,384,903</b>	<b>(1,746,890)</b>	<b>1,798,641</b>	<b>472,296</b>	<b>(112,467)</b>

## NOTES

### 1. Basis of preparation

The condensed consolidated interim financial statements are prepared in accordance with Practice Statement 2016 – 1, Summary Financial Statements issued by the Institute of Chartered Accountants of Jamaica (ICAJ). Management discloses the consolidated statement of financial position, consolidated income statement, condensed statement of other comprehensive income, condensed statement of changes in shareholders' equity and condensed statement of cash flows. These condensed consolidated interim financial statements are derived from the unaudited condensed consolidated interim financial statements of Caribbean Cement Company Limited and its Subsidiary ("the Group") as of and for the period ended June 30, 2024, which are prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and the requirements of the Jamaican Companies Act.

### 2. Accounting policies

These condensed consolidated interim financial statements as of and for the period ended June 30, 2024, have been prepared in accordance with the accounting policies used in the audited financial statements as of and for the year ended December 31, 2023. Any new accounting standards amendments or interpretations which became effective in this financial year, were adjusted on the Group's financial position or results.

### 3. Basic and diluted earnings per share

Basic and diluted earnings per share is computed by dividing the consolidated net income attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

### 4. Comparative information

Where necessary, the comparative figures are reclassified to conform with the current year's presentation.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

J \$'000	UNAUDITED		AUDITED
	Six Months Jan to Jun		Year Jan to Dec
	2024	2023	2023
Balance as at beginning of period	24,053,242	20,038,638	20,038,638
Net income for the period	4,280,376	2,445,637	5,576,430
Remeasurement of employee benefits obligation, net of tax	-	-	147,721
Hedge reserve	57,544	(51,454)	(94,387)
<b>Total comprehensive income for the period</b>	<b>4,337,920</b>	<b>2,394,183</b>	<b>5,629,764</b>
Transaction with owners:			
Dividends	-	-	(1,615,160)
<b>Balance as at end of period</b>	<b>28,391,162</b>	<b>22,432,821</b>	<b>24,053,242</b>

### 5. Cash and cash equivalents

Cash and cash equivalents includes a deposit investment account of J\$8.7 billion (US\$56.0 million) in CEMEX Innovation Holding Limited, which generates interest at a rate equal to the Western Asset Institutional Liquid Reserves Fund rate plus 30 basis points on a daily basis of a year of 360 days. This is a highly liquid investment equivalent to cash which can be withdrawn at any time with minimal notice.

### 6. Total cost of sales and operating expenses

During January and February 2023, the Company undertook the planned major maintenance of its primary production equipment. In this period, the Company incurred higher costs due to 1) excess inventory items consumed in "Raw material and consumables", 2) additional hired manpower in "Personnel remuneration and benefits", 3) general higher maintenance cost in "Repairs and maintenance" and 4) higher "Changes in inventories of finished goods and work in progress".

### 7. Inventory write-off

During the period, the company conducted a comprehensive review of its inventory to identify items with no future use in operational activities. This write-off pertains to obsolete inventory items that are no longer viable for use or sale.

### 8. Subsequent event

At the Annual General Meeting of Caribbean Cement Company Limited (CCCL) held on July 18, 2024, the shareholders of CCCL declared a final dividend of \$1.9655 per share, to be paid on September 3, 2024, to shareholders on record as at July 23, 2024, with an ex-dividend date of July 22, 2024.

### 9. Operating earnings before other expenses, net [expressed in J\$'000]

Operating earnings before other expenses net, by nature are as follows:

	UNAUDITED				AUDITED
	Three Months Apr to Jun		Six Months Jan to Jun		Year Jan to Dec
	2024	2023	2024	2023	2023
<b>Revenue</b>	<b>7,666,452</b>	<b>7,475,133</b>	<b>15,284,546</b>	<b>14,277,380</b>	<b>27,719,929</b>
<b>Expenses:</b>					
Raw material and consumables	535,531	557,187	1,041,523	1,817,898	2,902,314
Fuel and electricity	1,166,373	1,393,671	2,452,397	2,396,407	4,976,959
Personnel remuneration and benefits	726,280	700,780	1,463,446	1,436,708	2,868,949
Repairs and maintenance	472,034	372,962	1,039,054	1,193,156	1,860,444
Equipment hire	424,393	448,629	833,247	916,447	1,620,021
Cement transportation, marketing and selling expenses	267,121	276,708	499,009	516,315	890,983
Other operating expenses	446,500	326,020	767,654	589,065	1,372,921
Depreciation	436,246	369,057	863,223	736,376	1,509,191
Changes in inventories of finished goods and work in progress	85,619	67,385	280,842	1,075,548	1,271,915
<b>Total expenses</b>	<b>4,560,097</b>	<b>4,512,399</b>	<b>9,240,395</b>	<b>10,677,920</b>	<b>19,273,697</b>
<b>Operating earnings before other income and other expenses</b>	<b>3,106,355</b>	<b>2,962,734</b>	<b>6,044,151</b>	<b>3,599,460</b>	<b>8,446,232</b>

### 10. Other income and other expenses [expressed in J\$'000]

The details of the line item "Other expenses, net" are as follows:

	UNAUDITED				AUDITED
	Three Months Apr to Jun		Six Months Jan to Jun		Year Jan to Dec
	2024	2023	2024	2023	2023
<b>Other income:</b>					
Insurance claim recovery	-	1,233	-	1,233	2,182
Other	25,051	5,655	26,982	5,655	16,458
<b>Total other income</b>	<b>25,051</b>	<b>6,888</b>	<b>26,982</b>	<b>6,888</b>	<b>18,640</b>
<b>Other expenses:</b>					
Manpower restructuring costs	15,925	-	15,925	-	41,796
(Reversal of) increase in stockholding and inventory restructuring provision	(7,406)	(98,837)	(7,739)	2,010	(13,276)
Demolition expenses	-	-	-	-	3,643
Receivables write-off	-	-	-	-	18,739
Inventory write-off (note 7)	155,649	-	272,386	-	254,987
Management fees	51,953	50,273	107,755	101,768	204,143
Royalty and service fees	140,281	148,559	274,220	266,005	501,154
Others, net	12,245	(14,794)	16,904	34,743	29,055
<b>Total other expenses</b>	<b>368,647</b>	<b>85,201</b>	<b>679,451</b>	<b>404,526</b>	<b>1,040,241</b>
<b>Total other income and other expenses</b>	<b>343,596</b>	<b>78,313</b>	<b>652,469</b>	<b>397,638</b>	<b>1,021,601</b>