KINGSTON WHARVES LIMITED

Berthing Success

Annual Report 2024

Contents

"In 2025, KWL is celebrating its 80th anniversary, marking a storied history and remarkable journey of transformation from a few finger piers to a global technology-driven company".

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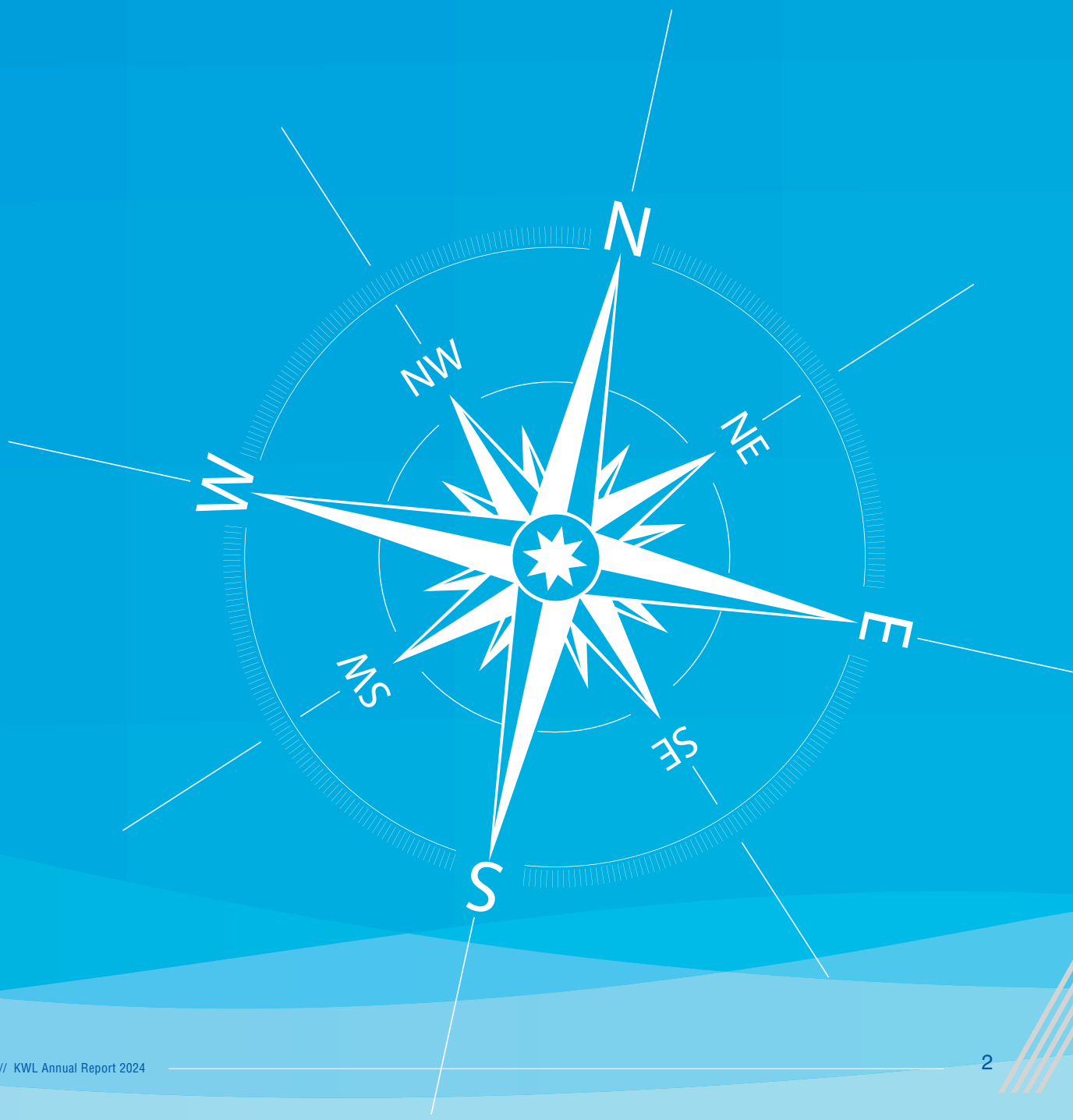
Vision

The preferred port-centric logistics partner connecting the world to Caribbean markets.

Mission

A leading provider of innovative terminal and logistics solutions for the movement of cargo.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Core Values

Sustainability

We employ sustainable practices in the use of our resources and the protection of our environment to enable long-term prosperity for our Company, community and country.

Safety

Our priorities are underpinned by the safety and well-being of our people.

Team Work

We are committed team members working together to achieve excellence.

Customer-Focused

We are unrelenting in our pursuit of excellence in service delivery and customer satisfaction.

Innovation
We strive to lead with innovation where creativity and change are drivers for growth.

Integrity
Our actions and decisions reflect the highest ethical standards and professionalism.

Performance
We strive for continuous improvement to deliver productive and efficient performance.

Respect
We consistently show respect in all interactions with our team, customers and stakeholders.

Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of Kingston Wharves Limited (the "Company") will be held at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, St. Andrew on **Wednesday, June 04, 2025,** at **10:00 a.m.** to conduct the following business:

1. To receive the Audited Financial Statements for the year ended December 31, 2024 and the Reports of the Directors and Auditors circulated therewith:

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

"THAT the Audited Financial Statements for the year ended December 31, 2024 and the Reports of the Directors and Auditors circulated with the Notice convening the meeting be adopted".

2. To declare the dividend of Twenty-Six Cents (J$0.26) per share paid on August 16, 2024 and of Forty-Two cents (J$0.42) per share paid on January 16, 2025 as final.

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

"THAT, as recommended by the Directors, the dividend of Twenty-Six Cents (J$0.26) per share paid on August 16, 2024 and of Forty-Two Cents (J$0.42) per share paid on January 16, 2025 be and are hereby declared as final and that no further dividend be paid in respect of the year under review.

3. Election of Directors

By Rotation

The Directors retiring from office by rotation pursuant to Article 107 of the Company's Articles of Incorporation are Messrs. Roger Hinds, Charles Johnston, Bruce Brecheisen and Jeffrey Hall. All the retiring Directors, being eligible, offer themselves for re-election.

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

i. "THAT Mr. Roger Hinds be and is hereby re-elected a Director of the Company."

ii. "THAT Mr. Charles Johnston be and is hereby re-elected a Director of the Company."

iii. "THAT Mr. Bruce Brecheisen be and is hereby re-elected a Director of the Company."

iv. "THAT Mr. Jeffrey Hall be and is hereby re-elected a Director of the Company."

4. To appoint auditors and authorise the Directors to fix the remuneration of the Auditors.

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

> "THAT PricewaterhouseCoopers, Chartered Accountants, having agreed to continue in office as auditors, be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

5. To fix the fees of the Directors or to determine the manner in which such fees are to be fixed.

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

> "THAT the amount shown in the audited accounts of the Company for the year ended December 31, 2024 as fees of the Directors for their service as directors, be and is hereby approved."

Dated the 22nd day of April 2025.

By Order of the Board

Jeffrey Hall
Chairman

REGISTERED OFFICE
195 Second Street
Newport West
Kingston 13
St. Andrew, Jamaica

NB: A member entitled to vote at the meeting is entitled to appoint a proxy to vote in his stead. A proxy need not be a member of the Company. Enclosed is a proxy form for your convenience, which must be lodged at the office of the Registrar and Transfer Agent of the Company, Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, Jamaica, or with the Company Secretary at, 195 Second Street, Newport West, Kingston 13, St. Andrew, Jamaica, at least forty-eight hours before the time appointed for holding the meeting. The Proxy Form shall bear the stamp of $100.00. The stamp duty may be paid by adhesive stamp (s) to be cancelled by the person executing the proxy.

KWL at a Glance

US$307 MILLION
Net Assets

We are consistently recognised as the region's leading multi-purpose port terminal operator, connecting our nation's importers and exporters to ports in the Caribbean, North America and on every other continent.

We Deliver

The port terminal and logistics divisions provide full-range cargo handling and logistics services 24 hours per day, 7 days per week.

- Stevedoring
- Special Economic Zone Facilities and Facilitation
- Port and Industrial Security
- Multi-Storage and Warehousing
- Auto Logistics Services
- Multi-Cargo Handling Services
  For containers, breakbulk (lumber, steel and motor vehicles), dry and liquid bulk cargo (oil, grain, cement and others)
- Container Stripping, Stuffing and Reconsolidation
- Transshipment
- Terminal and Logistics Workforce Services
- Third and Fourth Party Logistics Services
- Refrigerated Container Management and Support
- Equipment Rental

Our Achievements

KWL is the recipient of numerous accolades for excellence:

2024 Maritime Award of the Americas, for Security and Risk Management

2024 JSEZA Sustain-a-Livity Awards for Environmental Sustainability

2023 Special Economic Zone Sustain-a-livity Award for Best in Environmental Sustainability and Best in Sustain-a-livity.

2021 Port Industry Award of Excellence
Technology and Innovation
American Association of Port Authorities (AAPA) & Organisation of American States (OAS)-SCIP

How We Work

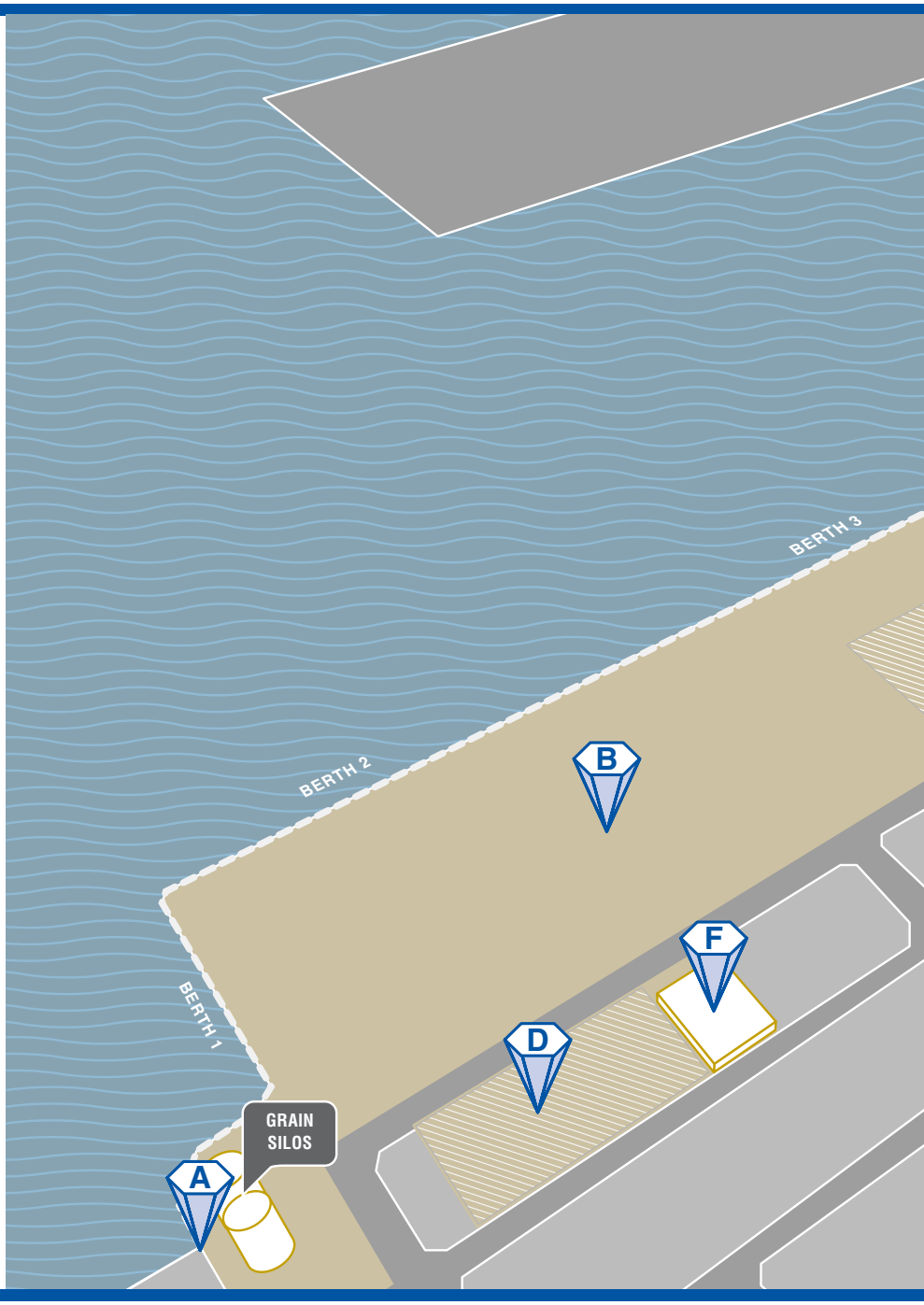
THE EQUIPMENT & SUPPORTING SYSTEMS INCLUDE:

07 Mobile Harbour Cranes	**20** Reach Stackers
19 Bomb Carts	**19** Terminal Tractors 4x2
03 Ro-Ro 4x4 Terminal Tractors	Tideworks Terminal Operating System
25 Container Chassis	**03** Loaded Container Handlers (Top Loaders)

WE ARE ALSO ABLE TO SOURCE ADDITIONAL CHASSIS, TRUCKS, TRAILERS AND FORKLIFTS, UPON REQUEST.

Multi-Purpose Multi-User Terminal

Strategically located on the Port of Kingston, our terminal operates 24 hours per day, 7 days per week, 365 days per year.



Terminal Infrastructure

A **CONTINUOUS QUAY** measuring 1,655 metres (5,430 feet)

9 DEEPWATER BERTHS for ro-ro, lo-lo, container, general breakbulk and bulk cargoes

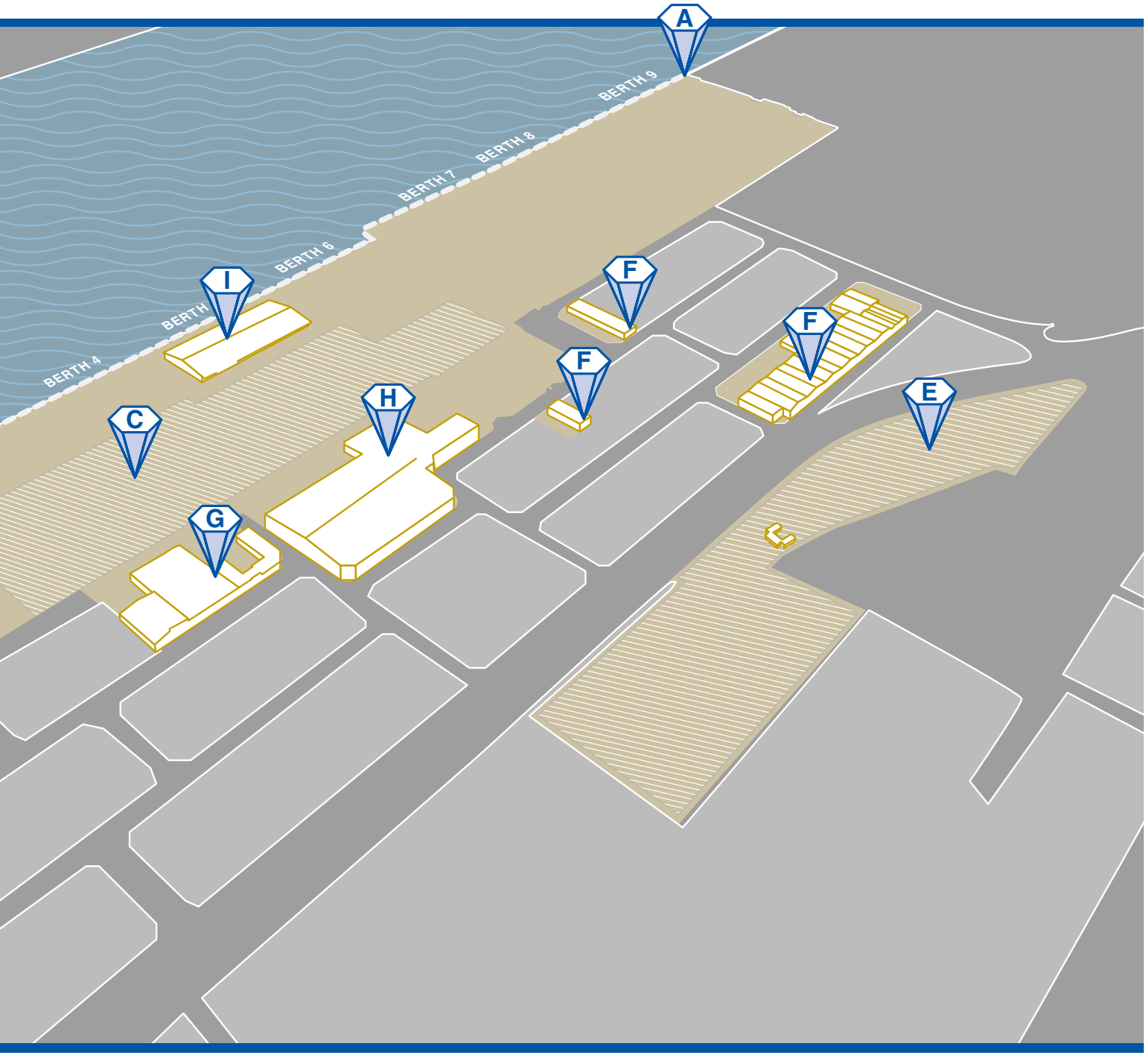
VESSEL DEPTH 9 metres (29 feet) to 13 metres (42 feet)

B **ON-DOCK OPEN STORAGE** 250,000 square metres or 2,694,000 square feet

TOWER GRAIN SILOS 2 Silos 9,000 metric tons capacity

REEFER PLUGS 172 at 440 Volts

*Approximate measurements



C ON-DOCK TRANSSHIPMENT CAR PARK
56,000 square metres or 600,000 square feet

D OFF-DOCK CAR PARK
6,500 square metres or 70,000 square feet

E GLOBAL AUTO LOGISTICS CENTRE (TINSON PEN)
73,000 square metres or 786,000 square feet

INTEGRATED LOGISTICS COMPLEX at Ashenheim Road
131,000 square feet

F INTEGRATED LOGISTICS WAREHOUSES
50,000 square feet

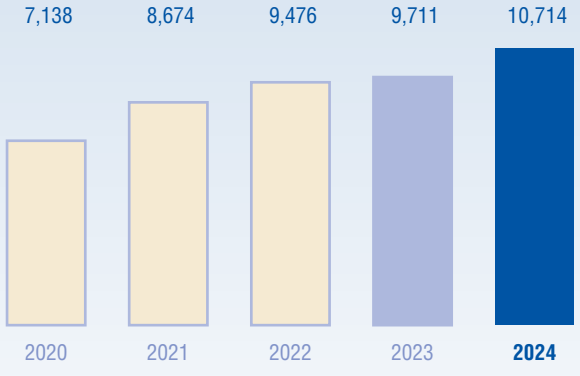
G KINGPORT WAREHOUSE COMPLEX
40,000 square feet

H TOTAL LOGISTICS FACILITY
160,000 square feet of Ultra-Modern Logistics Warehouse

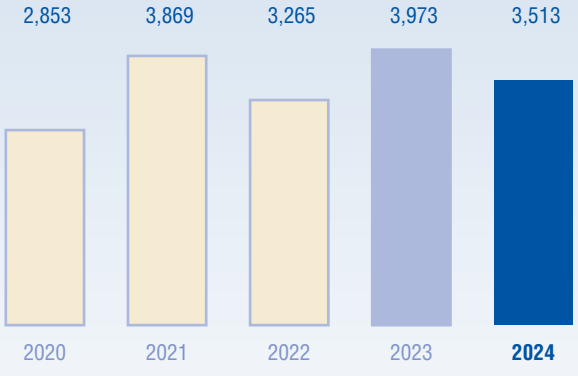
I ON-DOCK WAREHOUSE STORAGE
110,000 square feet

2024 Performance Summary

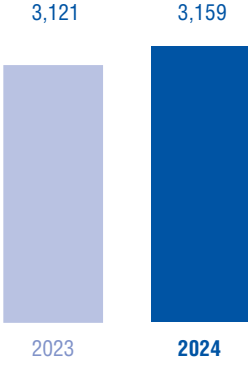
Group Revenue ($M)



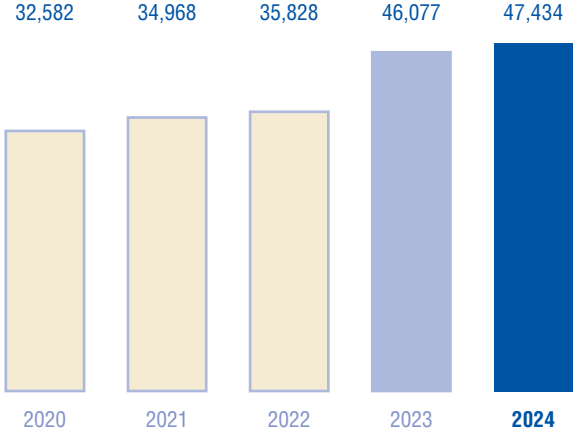
Operating Profit ($M)



Total Tonnage Handled ('000)



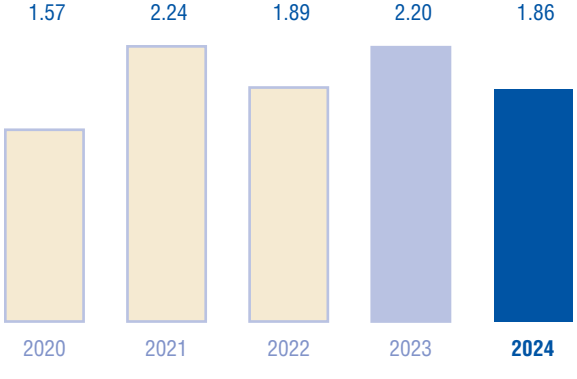
Shareholders Equity ($M)



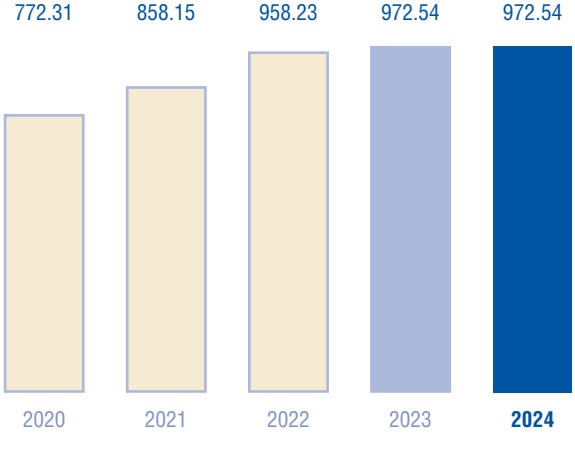
Market Capitalisation
$45.8 Billion

Stock Price at Year End
$32.90

Earnings per Share ($)



Dividend Declared ($M)



Ten-Year Statistical Review

	2024	2023	2022
No. of Stock Units @ 20 cents each. (000's)	**1,390,778**	**1,410,001**	1,427,613
Total Assets ($'000)	**60,630,762**	**59,082,383**	42,680,569
Net Current Assets ($'000)	**9,875,447**	**10,154,702**	8,601,837
Deposit & Cash Balance ($'000)	**11,879,117**	**12,085,149**	10,275,790
Capital Expenditure ($'000)	**2,605,326**	**5,774,866**	2,732,559
Total Gearing ($'000)	**7,301,940**	**7,175,984**	2,488,669
Shareholders' Equity ($'000)	**47,433,911**	**46,077,041**	35,827,572
PROFIT AND LOSS ACCOUNT			
Revenue ($'000)	**10,713,507**	**9,710,789**	9,476,406
% Increase/(Decrease) over prior year	**10.33**	**2.47**	9.25
Operating Profit (J$'000)	**3,512,511**	**3,972,945**	3,265,491
% Increase/(Decrease) over prior year	**(11.59)**	**21.66**	(15.59)
Finance Costs ($'000)	**326,781**	**189,773**	101,892
% Increase/(Decrease) over prior year	**72.20**	**86.25**	(31.79)
Profit Before Income Tax ($'000)	**3,185,730**	**3,783,172**	3,163,599
% Increase/(Decrease) over prior year	**(15.79)**	**19.58**	(14.94)
Net Profit Attributable to Equity Stockholders ($'000)	**2,609,883**	**3,116,068**	2,694,027
% Increase/(Decrease) over prior year	**(16.24)**	**15.67**	(15.70)
Dividends Declared ($'000)	**972,536**	**972,536**	958,234
% Increase/(Decrease) over prior year	**0.00**	**1.49**	11.66
IMPORTANT RATIOS			
Return on Sales	**24.36%**	**32.09%**	28.43%
Return on Equity	**5.50%**	**6.76%**	7.52%
Current Ratio	**3.55:1**	**3.75:1**	3.75:1
Debt to Equity Ratio	**15.39%**	**15.57%**	6.95%
Profit Before Tax to Sales	**29.74%**	**38.96%**	33.38%
Dividend Cover - Times	**2.68**	**3.20**	2.81
Interest cover (inclusive of foreign exchange movement)	**10.75**	**20.94**	32.05
Total No. of Employees (Permanent and Contractual)	**725**	**651**	737
Net Profit After Income Tax per Employee ($'000)	**3,599.8**	**4,786.6**	3,655.4
MARKET STATISTICS			
Stock Price at year end	**$32.90**	**$27.00**	$36.00
Earnings per Stock Unit	**$1.86**	**$2.20**	$1.89
Price Earnings Ratio	**17.53**	**12.22**	19.08
Market Capitalisation ($'000)	**45,756,596**	**38,070,027**	51,394,068

2021	2020	2019	2018	2017	2016	2015
1,428,391	1,429,342	1,429,342	1,429,393	1,430,200	1,430,200	1,430,200
41,307,043	38,233,506	32,580,694	31,456,820	29,475,959	23,536,808	21,411,543
8,491,271	6,098,188	5,111,944	4,151,517	2,922,727	2,478,345	2,281,209
9,558,286	6,934,489	5,923,489	5,019,466	3,948,221	3,190,846	3,019,868
1,101,158	696,907	604,291	657,715	1,847,257	1,865,654	1,202,414
2,046,666	1,680,741	2,273,631	2,777,428	2,888,132	2,342,913	1,538,117
34,968,279	32,582,332	26,593,460	24,765,896	22,981,794	18,540,246	17,496,896
8,674,001	7,138,338	7,898,207	7,253,571	6,369,238	5,409,801	4,672,884
21.51	(9.62)	8.89	13.88	17.74	15.77	22.34
3,868,736	2,852,760	3,102,944	2,460,166	2,026,685	1,675,251	1,572,056
35.61	(8.06)	26.13	21.39	20.98	6.56	37.27
149,390	154,876	177,917	217,377	134,923	186,408	162,718
(3.54)	(12.95)	(18.15)	61.11	(27.62)	14.56	(27.41)
3,719,346	2,697,884	2,963,638	2,239,217	1,891,762	1,488,843	1,409,338
37.86	(8.97)	32.35	18.37	27.06	5.64	53.00
3,195,882	2,237,719	2,600,817	1,945,450	1,628,538	1,293,480	1,256,397
42.82	(13.96)	33.69	19.46	25.90	2.95	49.09
858,146	772,308	772,308	643,590	543,476	486,268	357,550
11.11	0.00	20.00	18.42	11.76	36.00	25.00
36.84%	31.35%	32.93%	26.82%	25.57%	23.91%	26.89%
9.14%	6.87%	9.78%	7.86%	7.09%	6.98%	7.18%
4.52:1	4.11:1	3.44:1	2.69:1	2.68:1	2.50:1	2.68:1
5.85%	5.16%	8.55%	11.21%	12.57%	12.64%	8.79%
42.88%	37.79%	37.52%	30.87%	29.70%	27.52%	30.16%
3.72	2.90	3.37	3.02	3.00	2.66	3.51
25.90	18.42	17.44	11.32	15.02	8.99	9.66
708	631	599	583	625	663	717
4,514.0	3,546.3	4,341.9	3,337.0	2,605.7	1,951.0	1,752.3
$43.00	$46.35	$61.22	$77.19	$32.50	$20.01	$11.36
$2.24	$1.57	$1.82	$1.36	$1.14	$0.90	$0.88
19.22	29.61	33.64	56.71	28.51	22.23	12.91
61,420,813	66,250,002	87,504,317	110,334,846	46,481,500	28,618,302	16,247,072

Chairman's Message

In 2024, Kingston Wharves Limited (KWL) demonstrated financial resilience and operational strength in the face of an evolving and uncertain global economic climate. The Company recorded a 10% increase in revenues, reaching J$10.7 billion. This robust top-line growth was largely attributable to increased activity across both its terminal operations and logistics services. Contributing factors included strong intra-regional trade, the return of transshipment volumes, and the benefits of recently expanded port capacity.

Net profit for the year was J$2.61 billion, a commendable outcome in line with our expectations as we reinvested in strategic projects and absorbed higher operating costs. Despite increasing costs the Company maintained a healthy balance sheet and strong cash flows throughout the year. This financial stability enabled the continuation of dividend payments to shareholders and affirmed KWL's prudent fiscal management.

Strategic Investments

KWL accelerated its capital development programme in 2024, with a focus on enhancing terminal capabilities, expanding infrastructure, and modernizing operations. A key highlight of the year was the commissioning of the redeveloped Berth 7—one of the Company's most significant infrastructure upgrades to date. This US$30 million project extended the berth to 15 metres seaward and deepened the draft to 12.5 metres, making it fully capable of handling larger vessels and simultaneous ship calls.

As part of its long-term vision to transform into a comprehensive logistics hub, KWL made significant strides in expanding its warehousing and logistics footprint in 2024. A major development during the year was the ongoing construction of a new, state-of-the-art warehouse facility, which is expected to be completed by the second quarter of 2025.

In tandem with physical infrastructure development, the Company continues to invest in operational technology. The rollout of a new Terminal Operating System (TOS) has significantly enhanced efficiency in vessel turnaround and yard management. The TOS has allowed the Company to optimize its cargo handling operations and deliver a more seamless experience for shipping line partners and customers.

Customer service remains a priority for KW and during the year the Company implemented several digital enhancements to improve the ease of doing business with KWL. The Company's investments in technology and service quality underscore its commitment to delivering value-added solutions and superior service experiences.

In 2024, KWL strengthened its commitment to its workforce by investing in employee training, engagement, and well-being, while enhancing safety and support systems to maintain a high-performance culture. The Company also upheld its focus on sustainability and corporate responsibility, prioritizing environmentally conscious practices and community development as part of its long-term growth strategy.

Global Shipping Environment and Strategic Outlook

The global shipping industry in 2024 underwent a period of transition and normalization following several years of volatility triggered by the pandemic and subsequent supply chain disruptions. Although global trade flows have shown signs of stabilization—with major trade lanes operating more steadily and global port congestion easing—caution remains due to lingering geopolitical tensions, inflationary pressures, and environmental regulatory shifts. These external factors continue to influence global shipping volumes and create a complex backdrop for decision-making across the industry.

Caribbean ports, including Jamaica's, stayed resilient in 2024 on the back of steady intra-regional trade and revived transshipment flows. Near-shoring has heightened the region's appeal and Kingston Wharves—armed with expanded berths, modern technology and integrated services—is poised to capitalize on these opportunities.

Celebrating its 80th anniversary in 2025, Kingston Wharves looks to the future Ready, Invested, and Determined. With a strong performance history, enhanced infrastructure, and a steadfast commitment to service excellence, the Company is well positioned to expand its role as a leading multi-purpose port and integrated logistics provider—delivering "Excellence Through Partnership" and creating lasting value for all stakeholders.

On behalf of the Board, I extend sincere thanks to all our shareholders, customers, logistics partners, employees, government agencies, regulators, and Directors for their confidence, collaboration, and contributions to our continued growth and success.

Jeffrey Hall BA, MPP, JD
Chairman

Board of Directors

Jeffrey Hall - CD, BA, JD
Chairman

Jeffrey Hall is the Chief Executive Officer and Vice Chairman of Pan Jamaica Group Ltd. He has been the Chairman of the KWL Group since 2014. Mr. Hall is a director of Sagicor Group Jamaica Limited, Sagicor Life Jamaica Limited, Sagicor Bank Jamaica Limited and Sagicor Investments Jamaica Limited. He has previously served as Chairman of Scotia Group Jamaica Limited, a Director of the Bank of Jamaica and the Jamaica Stock Exchange, and as a Vice President of the Private Sector Organization of Jamaica.

Other Board and Committee Associations: Jamaica Producers Group, Blue Power Group Limited, Lumber Depot Ltd, Harmonisation Group Limited, SAJE Logistics and Infrastructure Ltd., and Eppley Caribbean Property Fund Limited. Mr. Hall was awarded the Order of Distinction in the rank of Commander (CD) for his contribution to Investment and Commerce in 2022.

Committee: Executive (Chair)
Length of Directorship - 13 Years

Grantley Stephenson - CD, JP
Deputy Chairman

Grantley Stephenson of KWL served in the dual capacity of Executive Chairman and CEO, between 2003–2009 and 2011–2013. He was CEO of KWL, until January 5, 2020.

Mr. Stephenson was conferred with the Order of Distinction (commander class) by the Government of Jamaica in 2007 and an Honorary Doctor of Science in Port Management by the Caribbean Maritime University in 2017. He received the 2015 Manager of the Year Award from the Jamaica Institute of Management and was ranked the No. 1 CEO among all companies trading on the Jamaica Stock Exchange by Businessuite Magazine in 2010. He is also a fellow of the Jamaica Institute of Management.

Other Board and Committee Associations: Jamaica Producers Group, Security Administrators Limited, Shipping Association of Jamaica, Assessment Recoveries Limited, Ports Management and Security Limited, ADVANTUM, Shortwood Teachers College – Chairman of the Board of Managers.

Committees:
Executive, Compensation and Leadership Development (Chair)
Length of Directorship - 21 Years

Mark Williams
Chief Executive Officer

Mark Williams was appointed Chief Executive Officer of the Kingston Wharves (KWL) Group in January 2020, joining the company in October 2011 as the Chief Marketing & Planning Officer. He was later appointed Chief Operating Officer. A Certified Port Executive, before joining Kingston Wharves, he was Vice President at the Airports Authority of Jamaica and previously held Senior Executive positions at The Shell Company (W.I.) Limited and Shell Antilles & Guianas Limited. He has a Master of Business Administration (MBA) degree from the University of Surrey, United Kingdom; a Master of Philosophy (MPhil) and Bachelor of Science (BSc) degree from the University of the West Indies; and a Bachelor of Laws degree (LL.B) from the University of London.

Other Board and Committee Association: Security Administrators Limited

Committees: All
Length of Directorship - 5 Years

Philip Armstrong

Philip Armstrong is the Chief Operating Officer of the Pan Jamaica Group (PJG). Prior to joining PJG, he was the Executive Vice President - Strategy and Chief Technology Officer at Sagicor Group Jamaica.

He holds a BSc in Avionics Technology and has completed the Harvard Business School's Advanced Management Programme and the Harvard Business Analytics Programme

Other Board And Committee Associations: Sagicor Group Jamaica, Sagicor Life Jamaica, Sagicor Investments Jamaica, Sagicor Bank Jamaica, British Caribbean Insurance Company, Pan Jamaica Property, MO Tecnologias – Bogota Colombia. Former Chairman of the South East Regional Health Authority.

Committees: Nil
Length of Directorship - 1 Year

Bruce Brecheisen

Bruce Brecheisen is an Executive Vice President with Seaboard Marine, a leading ocean carrier in the Caribbean and Latin America. Mr. Brecheisen is a voting member of the Board of the Port of Miami Crane Management, Inc..

Other Board and Committee Association: CareerSource South Florida.

Committees: Audit, Executive
Length of Directorship - 10 Years

Kim Clarke

Kim Clarke, a past President of the Shipping Association of Jamaica, is Managing Director of the Maritime and Transport Group of Companies. He is also the Managing Director of Boat Services Limited and Chairman of Caribbean Crewing and Manning Services Limited.

Other Board and Committee Associations: R.S. Gamble Limited, Arnold L. Malabre & Company Limited, Newport Fersan Jamaica Limited, SAJE Property Services Limited.

Committees: Executive, Compensation and Leadership Development.
Length of Directorship - 21 Years

Board of Directors

Roger Hinds

Roger Hinds is the Managing Director of MSC Mediterranean Shipping Company Jamaica Limited. He is the Chairman of Transocean Shipping Limited, Transport Logistics Limited and Marine Haulage Services Limited

Other Board and Committee Associations: Shipping Association of Jamaica and SAJE Property Services Limited.

Committee: Compensation and Leadership Development
Length of Directorship - 21 Years

Charmaine Maragh

Charmaine Maragh is the Executive Chairman and Chief Executive Officer of the Lannaman & Morris Shipping Group of companies. Also a director of the SAJE Infrastructure Board. Mrs. Maragh has been a trustee of the Metro Investment Pension Fund since 1997 and was previously a director of Seafreight Shipping Line in the USA before Crowley acquired it. Before her directorship in the Lannaman & Morris Shipping Group, she was involved in HR, personnel and industrial relations management at companies such as the Jamaica Pegasus, CMP Metals, Oceania Hotel, and the Airports Authority of Jamaica.

Other Board and Committee Association: Express Catering.

Committees: Compensation and Leadership Development
Length of Directorship - 4 Years

Charles Johnston
CD, BSc (Econ.), DSc (Hon.)

Charles Johnston is the Executive Chairman of Jamaica Fruit and Shipping Company Ltd. and its subsidiaries. Board member of the Jamaica Producers Group since 1975, he became Chairman in 1986. Mr. Johnston is also the Chairman of German Ship Repair Ltd., Seaboard Freight & Shipping Jamaica Ltd., Jamaican Patties Ltd. (UK) and JP Logistics, Lennox Portland Ltd. and Johnston Development Group Ltd. A Past President of the Shipping Association of Jamaica, he was conferred with the Order of Distinction, Commander Class in 2006; inducted into the Hall of Fame of the Private Sector Organisation of Jamaica in 2008, and awarded the Order of Jamaica (OJ) in 2023 for his sterling service to shipping and logistics. In 2017, he was awarded a Jamaica Observer Lifetime Achievement Award, and in 2018 conferred with a Doctor of Science degree in International Shipping Honoris Causa from the Caribbean Maritime University. Mr. Johnston is a graduate of the University of Pennsylvania, Wharton School of Finance & Commerce.

Other Board and Committee Association: The Jamaica Public Service Company Ltd., SAJE Property Services Ltd. Port Security Management Ltd. and Kingston Logistics Centre Ltd.

Committee: Executive
Length of Directorship - 40 Years

*Charles Johnston previously served on the KWL Board 1982-2001

Robert Scavone

Robert Scavone provides advisory and management consulting services to various clients in the international cargo transport sector. Mr. Scavone's career has included port and terminal development projects and creating and managing their respective entities in North America, Europe, Asia, the Middle East, Latin America, and the Caribbean. He has served on various boards internationally, including Terminales Rio de la Plata in Buenos Aires, Halterm Limited in Halifax, Fraser Surrey Docks near Vancouver, Salalah Port Services in Oman, and Trans-Siberian Express Railway and Vostochny International Container Terminals, both in Russia. He has also been a board member for several U.S. companies, including the Port of Miami Terminal Operating Company, Port Newark Container Terminal, Delaware River Stevedores (Philadelphia), and CP&O (Norfolk). He has served in an advisory role for acquisitions and divestitures of port assets for numerous entities, including Macquarie Bank and Deutsche Bank.

Committee: Executive
Length of Directorship - 10 Years

Kathleen Moss
BSC, MBA, CBV

Kathleen Moss is a management consultant and Chartered Business Valuator with Sierra Associates, an independent business advisory and valuation firm she established in 1993. She is a director of Jamaica Producers Group Limited, Pan Jamaica Group Limited and chairs the audit committee of those entities . She is a director of Assurance Brokers Jamaica Limited, Rebhans' Gases Limited and the Violence Prevention Alliance. Mrs Moss had previously served on a number of boards in the financial sector.

Mrs Moss is a member of the Canadian Institute of Chartered Business Valuators and is a graduate of the University of the West Indies and McGill University.

Committees: Audit (Chair), Compensation and Leadership Development
Length of Directorship - 13 Years

Dorian Valdes
P.E.

Dorian K. Valdes is a professional engineer with over 50 years of experience providing leading engineering, programme management, and construction management services to private businesses and government agencies. Mr. Valdes has worked in civil and environmental engineering, specialising in over US$2 billion of seaport capital improvements for cargo and cruise operations facilities and equipment needs. This included passenger boarding bridges, granary cranes, infrastructure for cargo handling activities, and roadways, such as the Port Miami Tunnel construction. In addition, Mr. Valdes directed over US$1.5 billion in drainage improvements, stormwater management, restoration of beaches and upland ecosystem restoration and protection.

Mr. Valdes also continues to use his engineering management expertise to offer technical support to ongoing KWL projects.

Committee: Executive
Length of Directorship - 10 Years

Directors' Report

The Directors are pleased to submit the Group results for Kingston Wharves Limited for the year 2024.

Operating Results:

- The Profit for the Group before income tax was **$3.2 billion**
- The Profit for the Group after Tax and Minority Interest was **$2.6 billion**

Dividends:

The Directors recommend that the following dividends declared and paid in relation to 2024 be declared as final:

- Twenty-Four cents ($0.26) per share paid on August 16, 2024
- Forty-Three cents ($0.42) per share paid on January 16, 2025

Messrs. PricewaterhouseCoopers, the present auditors will continue pursuant to Section 154 of the Companies Act, 2004.

The Directors wish to express their sincere appreciation to the management and employees for their contribution.

On behalf of the Board

Jeffrey Hall BA, MPP, JD
Chairman

SEABOARD
NO SMOKING
SAFETY FIRST
L N G
PAN

Environmental, Social & Governance

Our Environmental, Social and Governance programme is an integral part of our organisation's strategic focus. We are guided by our robust ESG policy in how we interact with our team, shareholders community and other stakeholders to promote environmental sustainability, social development and economic growth to contribute to a better region and world. Kingston Wharves' ESG Programme is closely aligned to key principles of the United Nations Sustainable Development goals.

Environmental

- Cimate Change Strategy
- Biodiversity
- Water Efficiency
- Energy Efficiency
- Carbon Intensity
- Environmental Management System
- Land Pollution

Social

- Equal Opportunities
- Community Development
- Health & Safety
- Human Rights
- Customer & Product Responsibility
- Education, Sports and Youth Development

Governance

- Business Ethics
- Compliance
- Board Independence
- Executive Compensation
- Stakeholder Democracy
- Bribery & Corruption

Corporate Governance

On behalf of the Board of Directors of Kingston Wharves Limited (KWL), I am pleased to present this Corporate Governance Report for the financial year ended December 31, 2024. This report outlines our commitment to maintaining high standards of corporate governance, ensuring transparency, accountability, and the protection of shareholder interests as we continue to drive value in our operations as a leading port terminal and logistics provider in the Caribbean.

Our Commitment to Corporate Governance

At Kingston Wharves Limited, we recognize that strong corporate governance is the foundation of sustainable growth and long-term success. Our governance framework is designed to comply with the Jamaica Stock Exchange (JSE) Listing Rules, the Companies Act of Jamaica, and international best practices. We remain dedicated to fostering a culture of integrity, ethical decision-making, and robust oversight to safeguard the interests of our shareholders, employees, customers, and other stakeholders.

Our approach to Corporate Governance is guided by the Company's Board-approved Corporate Governance Policy, and Board and Committee Terms of Reference, which are reviewed biennially. Copies of both documents are available for review on our website at https://kingstonwharves.com/about-us/investor-relations/

Board of Directors

The Board of Directors is responsible for providing strategic direction, overseeing management, and ensuring the company's adherence to its governance principles. As of December 31, 2024, the Board constitutes twelve directors, comprising a mix of executive, non-executive, and independent directors, which reflects a balanced composition that supports objective decision-making. Throughout this year, the Board delivered the following functions:

- Reviewing and approving the Company's 2025 operational plans and budget
- Business development initiatives, including significant investments and disposals
- Corporate governance
- Risk management
- Monitoring executive management performance
- Reviewing financial and operational systems

Chairman: The Chairman leads the Board, ensuring effective governance and facilitating constructive dialogue among directors.

Chief Executive Officer (CEO): The CEO, as an executive director, oversees the day-to-day management of the company and executes the Board's strategic vision.

Directors: Our directors bring diverse expertise and external perspectives, enhancing oversight and minimizing conflicts of interest.

During the year, one-third of our directors were subject to re-election at the Annual General Meeting (AGM) in accordance with our Articles of Incorporation. The Board and Committees met formally nineteen times in 2024, with an average attendance rate of 96.3%, demonstrating strong engagement and commitment.

Board Committees

To strengthen oversight and ensure specialized focus, the Board operates through several standing committees, each chaired by an independent director:

Audit Committee:

This committee oversees financial reporting, internal controls, and external audits. It ensures the integrity of our financial statements and compliance with regulatory requirements. In 2024, the committee reviewed quarterly and annual financials, engaged with external auditors, and assessed risk management processes.

Compensation and Leadership Development Committee:

Responsible for reviewing governance policies, succession planning, and recommending director appointments. This committee also determines remuneration policies for directors and senior executives, ensuring alignment with company performance and shareholder value. In 2024, the committee reviewed executive compensation to reflect market standards and KWL's financial achievements.

Executive Committee

The Executive Committee is responsible for conducting a strategic review of critical business decisions for which the Senior Officers are required or have the board's support, advice and/or approval. This Committee successfully delivered its mandate, and some of their highlights include the following:

- Recommendation to upgrade the Company's Terminal Operating System (TOS);
- Support for the budget proposals for the retooling of mission-critical equipment in the company's fleet;
- Strategic Land acquisitions and support for the terminal expansion plans;
- Review Group Safety Matrix and Group operational KPIs.

Each committee operates under a defined charter, available on our website, and reports regularly to the full Board.

Board Expertise	Strategy & Business Leadership	Finance & Accounting	Legal	Technology	Governance & Risk Management	Human Resources	Shipping & Logistics
Jeffrey Hall	○	○	○	○	○		○
Mark Williams	○		○	○	○	○	○
Grantley Stephenson	○				○	○	○
Bruce Brecheisen	○	○			○		○
Kim Clarke	○				○	○	○
Roger Hinds	○				○	○	○
Charmaine Maragh	○					○	○
Charles Johnston	○	○			○		○
Robert Scavone	○	○	○	○	○		○
Kathleen Moss	○	○			○	○	
Dorian Valdes	○						○
Phillip Armstrong	○	○	○	○	○		

Corporate Governance

Attendance at Meetings

In 2024, Directors displayed commendable commitment in their attendance at Board and Committee, and at the AGM, with very few absences, as shown in the below table.

Risk Management and Internal Controls

Given the dynamic nature of the logistics and port terminal industry, effective risk management is integral to our operations. The Board, through the Audit Committee, oversees a comprehensive risk management framework that identifies, assesses, and mitigates risks. In 2024, we enhanced our business continuity protocols and conducted stress tests on operations to ensure resilience. Our internal audit function, reporting directly to the Audit Committee, conducted regular reviews to uphold the effectiveness of our internal controls.

Executive Director

Directors	Committees	Board Meetings (6)	Quarterly Committee Meetings (4)	AGM (1)
Jeffrey Hall (Board Chair)	Executive (Chair)	6	4	1
Bruce Brecheisen	Audit	6	4	1
	Executive		4	
Kim Clarke	CLD	6	3	1
	Executive		4	
Mark Williams	Audit	6	4	1
	CLD		4	
	Executive		4	
Roger Hinds	CLD	6	3	1
Charles Johnston	Executive	6	3	1
Charmaine Maragh	CLD	6	3	1
Kathleen Moss	Audit (Chair)	6	4	1
	CLD		4	
Robert Scavone	Executive	6	3	1
Grantley Stephenson	CLD (Chair)	5	4	1
	Executive		4	
Dorian Valdes	Executive	6	4	1
Philip Armstrong	N/A	6	N/A	1

Shareholder Engagement

We value our shareholders as partners in our success. In 2024, we held our AGM on June 5, 2024, providing a platform for shareholders to engage with the Board and management. Shareholders approved key resolutions, including the re-election of directors, dividend declarations, and the re-appointment of our external auditors.

We maintained open communication throughout the year by providing quarterly financial reports, issuing press releases to major media outlets, and sharing updates on our LinkedIn page and corporate website. Additionally, we conducted radio interviews, posted updates on the JSE platform, and delivered a year-end message from our CEO on our YouTube channel.

Ethical Conduct and Compliance

Kingston Wharves Limited upholds a Code of Conduct that applies to all directors, officers, and employees. This code promotes ethical behavior, conflicts of interest disclosure, and adherence to anti-corruption laws. In 2024, we conducted mandatory compliance and ethics training for staff on sexual harassment reporting and mental health strategies. We introduced a refreshed whistleblower policy to encourage reporting unethical practices without fear of reprisal. No significant breaches were reported during the year.

Remuneration Policy

The Compensation Committee ensures that director and executive remuneration is competitive, transparent, and tied to performance. Non-executive directors receive fixed fees, while executive compensation includes a mix of salary, bonuses, and long-term incentives linked to financial and operational targets.

Board Induction, Training and Presentations

The Board of Directors is provided with continuous training and education about the Company, the business line segments, and legal and regulatory changes that may impact operations. This year, the Board received presentations and training on the following topics all of which had 100% participation by Directors.

- Training on the Data Protection Act.
- Sensitization session and training on cyber security best practices.
- Presentation on IT Infrastructure Developments.
- Presentation on the Terminal Operation Plan regarding Berth Redevelopment.
- Presentation on creating a safe system of work.

Board Annual Self-Evaluation

The performance of our Board is evaluated annually as part of the continual development of the Board's effectiveness. For 2024, the Board members completed an anonymous survey online that asked them to reflect on the effectiveness of the operation of the Board and the senior management team. This included matters pertaining to the Directors' evaluation of Board meetings and their agenda, the substance of Board presentation to allow for informed decision-making by Directors, the level of communication provided by the Senior Officers to the Board and the materiality of Company developments shared with the Board. There was a 100% participation rate in the survey, and the results revealed a high level of satisfaction with the operation of the Board. The results of our evaluation process are presented during our Board Meeting, and significant time and focus are given to assessing these results and creating an action plan to close the gaps identified through this process.

Looking Ahead

As we move into 2025, the Board remains focused on enhancing governance practices, supporting strategic growth initiatives, and delivering sustainable value to shareholders. We will continue to monitor emerging governance trends and regulatory changes to ensure that KWL remains a leader in corporate stewardship.

On behalf of the Board, I thank you, our shareholders, for your continued trust and support. We look forward to engaging with you at the 2025 AGM and throughout the year ahead.

For further details regarding the Corporate Governance and the Board, please visit the Investor Relations section of our website at **www.kingstonwharves.com.jm**

Social - Unlocking Potential

We at Kingston Wharves continue to seek to unlock the immense potential of our people and community, recognising their inherent creativity and ingenuity. Our goal is to provide support that will lead to organisational, community development and national transformation.

Building Our Team for Greater Impact

Strategically positioned as a central enabler of KWL's mission, our human resource team works closely with all business units to align initiatives with company goals, ensuring a unified and effective approach to achieving operational success, positive work-life balance, service excellence, and delivering growth.

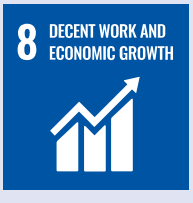
As a key driver of organisational performance, our human resource programme is focused on competitiveness through effective workforce management, fostering innovation, enhancing employee capabilities, and ensuring compliance with industry standards and regulations. In our human resource practice, we maintain adherence to legal, regulatory, and industry-specific requirements to safeguard our team, organisational integrity and reputation.

In 2024, we employed technology in our human resource management, expanding the use of the **Learning Management System (LMS)** to increase impact and efficiency of training programmes. Employees were able to complete training modules while improving skills without affecting operations. The LMS allows for automated tracking of training completion and easier identification of skills gaps. This seeks to enhance training compliance and secure the continuous upskilling of employees in meeting operational demands.

Aligning with UN Sustainable Development Goals

Quality Education

Supporting people, organisations and projects in early childhood education, youth and sports.



Decent Work and Economic Growth

We believe that the lives of our employees must be positively transformed as a result of working with our company. A spirit of generosity that teaches a man to fish, supporting personal, professional and community growth that is self-sustaining.

Sustainable Cities and Communities

We believe in building safe, healthy, orderly, secure and environmentally friendly communities that will facilitate positive well-being and productivity.

Building Our Team Through Education and Training

Our goal is to build a business that builds leaders who are equipped to advance the mandate of the company. Our training agenda included leadership and technical training, cross training, and apprenticeship.

LEADERSHIP AND SUCCESSION PLANNING FRAMEWORK

Our leadership development strategy continues to place emphasis on preparing our talent pipeline for future challenges and opportunities. We remained consistent in implementing a suite of programmes aimed at equipping employees at various levels with the skills and experiences needed to excel. As part of the succession planning strategy, developmental plans for high-potential and key performers were maintained and actively supported. Ongoing training initiatives were provided to these employees, reinforcing their readiness for future leadership roles and ensuring alignment with organisational growth objectives. Leadership training initiatives included:

- **Harvard Management Training**, which targets senior managers, is geared towards leadership capacity-building.
- **Stepping up to Management** is designed for supervisory and mid-level managers. It focuses on preparing employees for senior roles through advanced skills building workshops, and exposure to strategic decision-making.
- **Supervisory Management Training** is targeted at first-time supervisors and team leads; this training initiative enhances essential skills such as team management, communication, and performance optimization.
- **Project-Based Leadership** Assignments is a hands-on initiative providing high potential employees the opportunity to lead cross-functional projects, fostering collaboration, critical thinking, and problem-solving skills.

The KWL **Millennial Club** is a central part of the company's leadership and succession planning strategy aimed at increasing the engagement of young professionals within the company. This group represents a critical segment of our workforce, bringing fresh perspectives, innovative ideas, and a strong drive for success. By fostering a sense of community and providing tailored opportunities for networking, collaboration, and professional growth, the Millennial Club aims to empower individuals to contribute meaningfully to the organisation's success and prepare for leadership roles. Club members benefitted from a number personal improvement activities during the course of the year, tailored opportunities for networking, collaboration, and professional growth.

TECHNICAL TRAINING

Throughout the year, Kingston Wharves sustained important partnerships with local educational institutions to hone technical skills and certify its team to deliver critical terminal and logistics functions to drive its global competitiveness. Partnerships have been forged with the University of Technology, the Caribbean Maritime University, University of the West Indies and JAGAS to facilitate internship opportunities. This focused primarily on roles such as maintenance technicians, equipment operators, stevedores, and logistics personnel to secure a steady reservoir of talent.

Social - Unlocking Potential

The Memorandum of Understanding with the Heart Trust/ NSTA, signed a few years ago, continued to provide a valuable pathway for our team members to acquire NCTVET Certification in Stevedore Level One, Two and Three, Warehouse Management, and Forklift categories.

Additionally, KWL continued to offer **specialised certification for technical roles**, designed to enhance functions expertise, ensure compliance with industry standards, and improve operational efficiency while directly contributing to increased productivity and the organization's strategic goals. These programmes included training on safety and dangerous goods as well as technical skills upgrading on the Bromma Spreader, Reach Stacker, and the Gottwald and Liebherr Mobile Harbour Cranes.

As a lead logistics provider, KWL is positioning to play an increasingly vital role in Jamaica's push to become a major global logistics hub through human resource training in the field. In 2024, through the Caribbean Maritime University, we facilitated training for our team in **logistics management**. The programme aimed to provide participants with a solid foundation in logistics principles and practice while facilitating cross-training for team members in bonded and auto logistics operations.

We also continued to pursue programmes to promote employees' exposure to various business units via cross training to promote versatility among our empolyees.

2024 CEO Awardee Everton Thomas (second right) along with other staff award recipients (l-r) Rajiv Arthur, Christina Brown Benjamin and Lamar Brown.

EMPLOYEE RECOGNITION AND WELL-BEING

Under our health and wellbeing programme, **KW Cares**, we continued to take a comprehensive approach to team wellness, academic and career advancement, reward and recognition, as well as personal development.

KW Cares, which was established as Kingston Wharves' flagship team well-being and personal development programme, drove all its employee engagements in 2024. The programme continues to provide positive incentives to encourage team members to give of their best.

Eighty-six team members were recognized and awarded in the Employees Reward and Recognition programme. Employees of the Year were selected for each subsidiary in the Kingston Wharves Group and a top awardee was presented with the CEO's Award.

The **health and wellness** of the Kingston Wharves team is top priority. Proper physical and mental health enhances employee wellbeing, reduces absenteeism and sustains productivity in a demanding environment.

KWL continued to provide health services to its employees, including through its on-site health centre and 24-hour ambulance service. We also partner with wellness providers to offer annual health checks and regular seminars on health issues such as non-communicable diseases.

Impacting Our Community

Sport Development

In 2024, Kingston Wharves renewed its commitment to the empowerment of our youth. We continued our unbroken sponsorship of the **Under-15-Cricket Competition**, which observed 33 years in 2024. Through the cricket competition, we support the development of youth from all across the island, giving them the opportunity to hone their cricketing skills in preparation for a future cricketing career. Youth Players who have passed through the competition have gone on to future careers as international cricketers, sports administrators, entrepreneurs or leaders in other areas.

Our work with the youth goes beyond building cricketing skills and techniques to fostering their social, intellectual and emotional development. In 2024, KWL staged the first **Cricket Confidence Workshop** to enhance the communication skills and emotional intelligence of the team captains of the U-15 Competition. The programme was facilitated by veteran Broadcaster Paula-Ann Porter-Jones with a presentation by counselling psychologist Rev. Jason Downer. Over 25 young team captains participated in the workshop which also included a session on conflict resolution.

EDUCATION

Education is the key to success. In 2024, we partnered with the Ministry of Education in its **PEP Preparation Picnic (PREPNIC) Programme** and hosted over 40 students from inner-city primary schools. The hosting allowed KWL to provide a safe and stimulating space for the students to prepare for their Primary Exit Profile (PEP) Examination. The students were provided with resources, and toured the KWL terminal.

Kingston Wharves was pleased with the improved outcomes of the students, with a greater number scoring higher in the PEP exams. The students from the PREPNIC group were included in the PEP awards function that KWL stages each year for the children of its employees. KWL presented the students with back-to-school items and bursaries.

In 2024, we sustained our longstanding support for the Union Gardens Infant School, by among other things, participating in **Read Across Jamaica Day** at that early childhood institution and we added the Greenwich All-Age School.

1. Westmoreland team members celebrating their victory in the 2024 KWL Under -15 Competition **2.** KWL hosting students from surrounding schools under the PREPNIC Programme **3.** KWL rewarded children of employees and others from the community for the PEP performance. **4.** Team captains in the KWL U-15 Competition benefit from a Cricket Confidence Workshop hosted by KWL and facilitated Broadcaster Paula-Ann Porter-Jones.

Environment - Building a Sustainable Future

In 2024, we accelerated our effort to build sound environmental practices into our daily operations, cognisant of the importance of environmental sustainability in safeguarding our business and community.

Tracking Our Carbon Footprint

Greener shipping is marked by the effort to reduce emissions and a general effort to manage environmental impacts from the industry, with vessel lines rolling out LNG-powered and other eco-friendly vessels. They are also taking other important steps to pursue environmentally sound practices in their operations.

Aligning with these forward-thinking moves in the industry, Kingston Wharves implemented an initiative to reduce CO2 emissions by reducing electricity consumption. These included the installation of occupying sensors and AC timers in specific buildings and the policy of replacing perimeter light that uses electricity with solar lighting.

The company is also strengthening the regulating of the fuel used to operate port-handling equipment on its terminal. This programme is also playing a role in reducing fuel cost by enabling closer monitoring of fuel consumption and the management of vehicles and heavy equipment during operation. It will also assist KWL to further mitigate its environmental impacts by also reducing greenhouse gas emissions.

Life Below Water

We have implemented several initiatives to reduce the negative impact on sea life this includes reducing waste, plastics recycling and coastal clean-up.

Climate Action

We are employing a number of adaptation and mitigation strategies. The company is undertaking the important work of establishing and monitoring its carbon footprint and implementing sound environmental practices.

The programme to track KWL's carbon footprint while monitoring effluent generated by operations on the Port of Kingston continued in 2024. Data garnered from the study will be used to inform our strategy to manage the effects of shipping operations on our environment.

Taking Stock of Plastic Waste

Plastic waste is among the most pressing challenges impacting coastal communities. Improper disposal of plastics can result in coastal flooding which in turn threatens lives and property. Additionally, our actions on land can impact the oceans, a resource on which our business is dependent.

UNESCO's International Oceanographic Commission states that plastic waste makes up 80% of all marine pollution which end up in the ocean each year. It also states that by 2050, plastic will likely outweigh all fish in the sea. Other organisations estimate that 12 million tonnes of plastic waste make their way into the ocean each year. Of that amount, 9.5 million tonnes are washed into the ocean from land while another 1.75 million tonnes are thrown directly into the ocean. Scientists also estimate that one in three fish caught for human consumption contains micro plastics, which is harmful to wildlife and the health of human beings.

Against this background, KWL strengthened its effort to reduce the accumulation of plastic waste in the port community. KWL spearheaded two community clean-up exercises – on Earth Day and Coastal Clean-up Day. To supplement those activities, we also engaged vendors in the areas by staging a vendors recycling competition, which saw over 40 participants. All the initiatives together resulted in plastic waste being removed from the Port Community and transferred to a recycling plant.

For its environmental stewardship, KWL was awarded the 2024 Jamaica Special Economic Zone Sustain-a-Livity Award in the category of Environmental Sustainability.

Our ESG programme will continue to be a major part of how we do business in a national and global context.

CEO Mark Williams receives the Jamaica Special Economic Zone Authority's Sustain-a-Livity Award from Sancia Bennett-Templer, Permanent Secretary in the Ministry of Industry, Investments and Commerce.

Leadership Team

Chairman Jeffrey Hall and CEO Mark Williams along with members of the KWL Management team attending the AGM.

Our skilled and competent leadership team manages the day-to-day operations of our business and continues to expertly support the execution of our mission and vision. Guided by our core values, they continue to work with integrity, accountability and alacrity to deliver strong financial and operational results, ensure customer service excellence and position the organisation for growth.

MARK WILLIAMS
Chief Executive Officer - KWL

CLOVER MOODIE
Group Chief Financial Officer - KWL

RODRIGO OLEA
Chief Operating Officer, Terminal Division - KWL

RYAN PEART
General Manager, Group Operations - KWL

DIANNA BLAKE-BENNETT
General Manager, Logistics - KWL

DENISE WALCOTT-SAMUELS
Group Manager, Human Resource and Administration - KWL

WAYNE BALLEN
Security Manager - KWL

ROAN CAMPBELL
Safety, Health and Environment Manager -KWL

TERRI-ANN GORDON
Financial Controller - KWL

LANCELOT GREEN
Information Technology Specialist - KWL

ALFRED MCDONALD
Business Development Manager - KWL

FRANCES MIGHTY-HUTCHINSON
Internal Audit Manager - KWL

STEPHAN MORRISON
Corporate Secretary and Legal Counsel - KWL

SIMONE MURDOCK
Corporate Services and Client Experience Manager - KWL

CAPTAIN GEORGE REYNOLDS OD, JP
Managing Director - SAL

CHRISTAL MCGILVIE-BROWN
Business Services Manager - NSSL

Strategic Focus

Key strategic pillars provide the blueprint that sets out our priorities and approach to accelerating growth and achieving results within our organisation, and forms the basis on which we reach out to our community.

Workforce Development

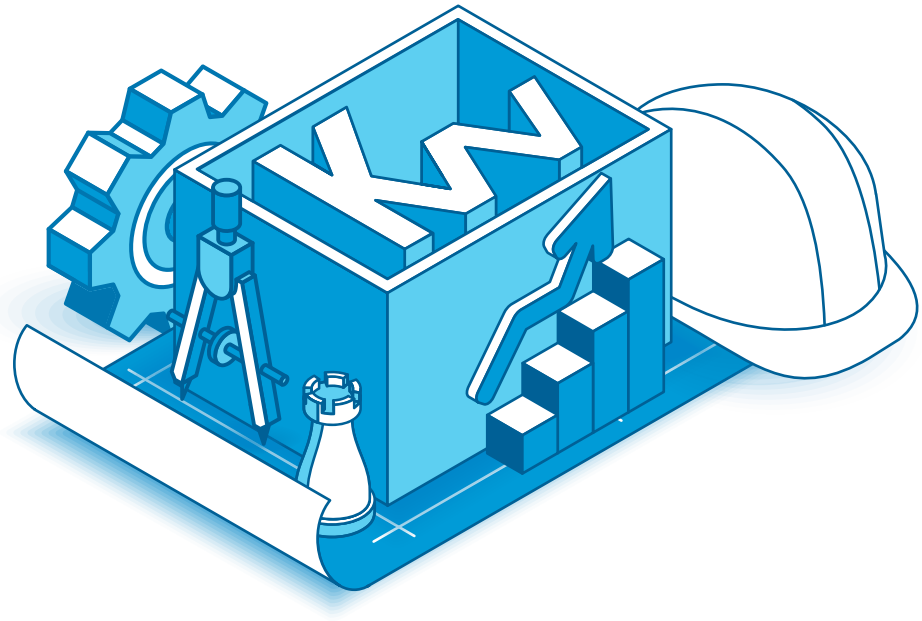
We believe that people make the difference. So we are focused on recruiting, developing and retaining the best workforce.

- Develop a highly skilled and competent workforce that will lead to transformational growth.

Environment, Social and Governance

Our philosophy is that we exist to be a catalyst for the positive transformation of our community and people.

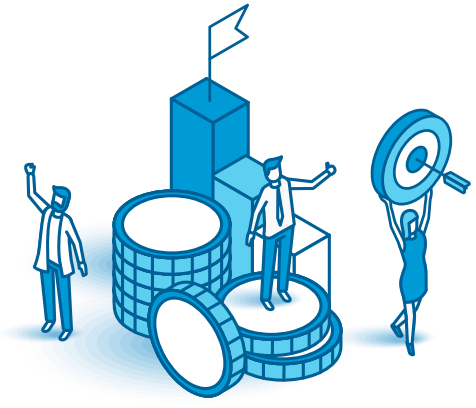
- Build a culture of health, safety and positive emotional well-being among our team.
- Unlock the potential of our community through investment in education, youth, sports, the environment, social development and urban renewal.



Infrastructure Development

Our mantra is continuous transformation, as we strive to enhance our physical facilities to serve our existing customers better while positioning for new opportunities.

- Expand and modernise our physical facilities to drive growth and increase capacity.



Operational Excellence

We are committed to using all resources at our disposal to enhance our service delivery to our customers through a high service model.

- Utilise technology to drive performance improvement and reduce operational expenses.

Delivering Growth

Our growth mindset dictates that we relentlessly pursue growth and expansion.

- Diversify and grow our revenue streams.
- Maximise the returns from new constructions.
- Attract new clients in all business segments.

Management Discussion & Analysis

Mark Williams Chief Executive Officer

The Management of Kingston Wharves Limited is responsible for the reliability of the information disclosed in the Management Discussion and Analysis (MD&A). The MD&A highlights KWL Group's operational and financial performance as well as divisional results. This is consistent with previous disclosures made by the KWL Group in its audited financial statements for the financial year 2024. The MD&A outlines a forward-looking statement based on strategic plans and forecasts, subject to risks and our actual performance.

Financial Performance

Kingston Wharves Limited demonstrated resilience and adaptability amidst a dynamic global shipping landscape. Strategic investments and a steadfast commitment to operational efficiency empowered the Company to navigate complex challenges effectively, resulting in solid performance and the achievement of significant milestones. The global shipping industry faced several disruptions in 2024, including stringent environmental regulations, fuel price volatility, rapid technological advancements, and labour shortages. By enhancing its infrastructure and adopting sustainable practices, the Company achieved solid performance across its operations.

In 2024, Kingston Wharves recorded revenues of J$10.7 billion, representing a 10% increase over the corresponding period in 2023. However, profit before taxation, decreased by 16% to $3.2 billion compared to $3.8 billion in 2023. Net profits attributable to shareholders also reflected a decrease of 16%, moving from $3.1 billion to $2.6 billion at the end of 2024. This translated into a decrease in earnings per stock unit from $2.20 to $1.86 in 2024.

Terminal Services

The Terminal Services Division earned operating revenue amounting to $6.8 billion, an 8% increase relative to the prior year. Operating profit for the division decreased by $489 million or 19% relative to 2023. Operating profit was impacted by higher depreciation charges and expenses associated with commissioning of key strategic projects. These projects are aimed at enhancing the terminal's capacity for increased throughput and ensuring long term resilience. Terminal Operations remain central to KWL's success, contributing approximately 63% of total revenues.

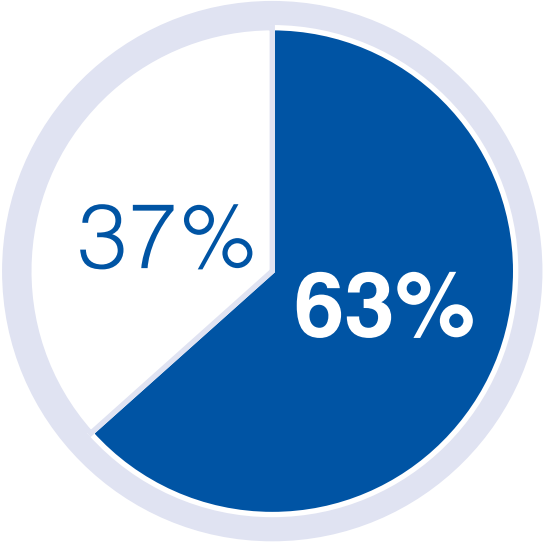
KWL experienced mixed results in the cargo types handled in 2024. Container volumes increased by 11%. Breakbulk and bulk realized a 15% increase over the prior year while motor vehicle moves remained flat. The overall revenue growth was driven by the expansion in transshipment containers as well as bulk and breakbulk cargo.

Logistics Services

KWL's Logistics Services Division experienced substantial growth in revenue, contributing $3.9 billion compared to the prior year's $3.4 billion, a 16% increase. Operating profit for the Logistics Services Division increased marginally to $1.4 billion. This year's performance was driven by continued enhancements across operations, including upgrades to warehouse infrastructure, and further integration of digital platforms, reinforcing the division's strong market position. The increase was also supported by the strategic realignment of expenses between the two divisions, which optimised resource allocation and improved cost efficiency.

* Divisional revenues exclude intergroup transactions

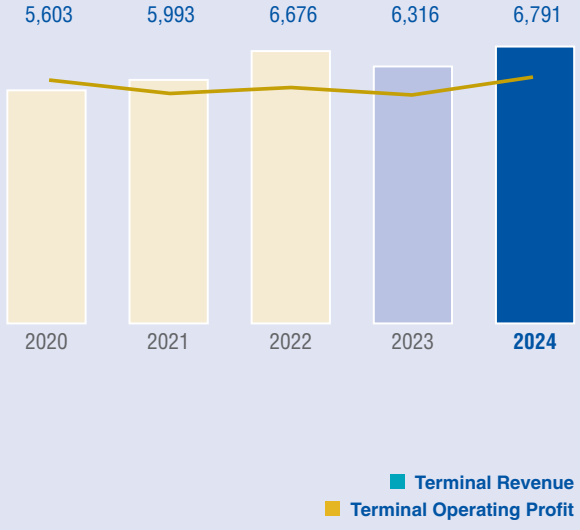
Divisional Revenue ($M)



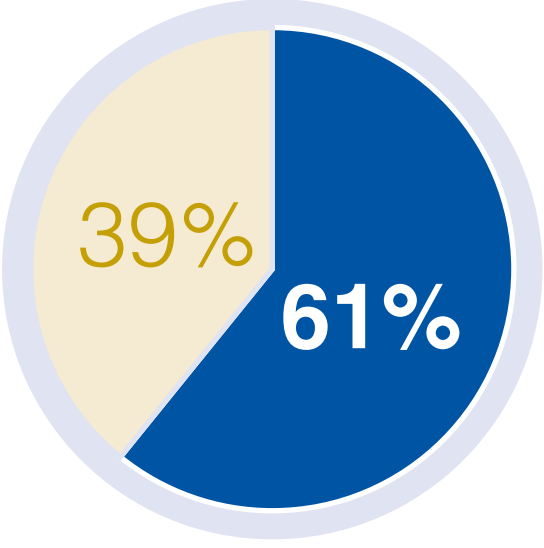
$3,922M | 37%
Logistics and Ancillary

$6,791M | 63%
Terminal Operations

Terminal Revenue & Operating Profit ($M)



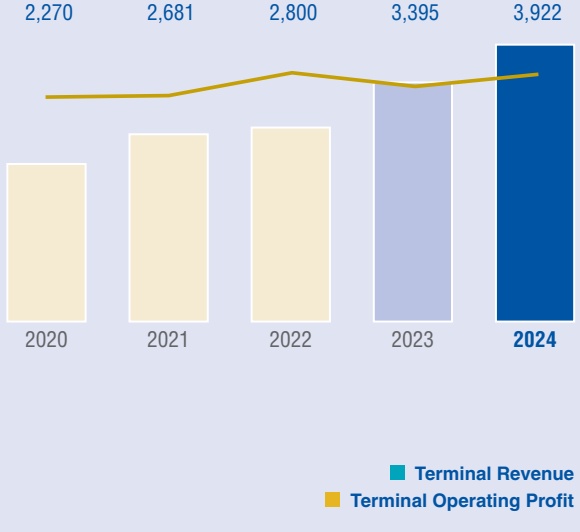
Divisional Operating Profits ($M)



$1,376M | 39%
Logistics and Ancillary

$2,136M | 61%
Terminal Operations

Logistics Revenue & Operating Profit($M)



Management Discussion & Analysis

The largest eco-friendly vessel in the world, the Hoegh Aurora.

Financial Position

The Group's total assets amounted to $61 billion, with a notable $1 billion increase in property, plant, and equipment year-over-year, primarily attributed to the major investments in the cold and dry storage facility. KWL remains committed to prudent liquidity management, balancing capital projects, debt servicing, dividend payments, and seizing growth opportunities. Kingston Wharves maintained a robust cash position in 2024. The Group generated $3.4 billion in net cash from operating activities, and earned $600 million on its $12 billion cash and bank and investment portfolios.

During the year, the group accessed $748 million from an existing loan facility. These funds were allocated toward financing the Berth 7 redevelopment, commissioned in 2024. This investment has enhanced KWL's terminal capacity, strengthening its ability to efficiently service a wider range of vessel types.

As a result of these financial activities, the group's gearing ratio currently stands at 15.4%, significantly lower than the targeted ratio of 75%. This demonstrates a conservative approach to leverage, ensuring the group maintains a strong financial position while pursuing strategic investments for future growth and development. The successful execution of these initiatives is poised to reinforce the group's position in the market and drive sustainable growth. By prioritizing prudent financial practices, the group remains well-positioned to capitalize on emerging opportunities and deliver value to stakeholders.

The equity attributable to shareholders has increased by 3% from $46.1 billion to $47.4 billion, this is net of distributions to shareholders of $973 million.

Dividend

KWL's dividend policy seeks to improve payment to its shareholders whilst balancing investments for future growth and organizational stability. The Group declared dividends during the year of $973 million, similar to the prior year and dividend per stock unit was also $0.68 in 2024.

Operational Performance

Our priorities in 2024 were driven by our commitment to excellence, demonstrated by our move to transform our business through capital investment in infrastructural development, state-of-the-art equipment and digital enhancements, as well as investment in people.

Our accelerated thrust to transform our business into a world class provider of terminal and logistics services is driven by our goal to facilitate seamless trade, both for personal shippers and companies involved in manufacturing, distribution and those providing other services along the supply chain.

When we invest in modernising our infrastructure, harnessing state-of-the-art technology and building an industry-leading team, it is a strategic decision geared at boosting our competitiveness and future-proofing our organisation in a rapidly evolving shipping landscape locally and globally.

Our key strategic steps have ensured that we remain a solid ally and strong member of the shipping eco-system, which includes shipping lines and agents, freight forwarders, customs brokers, haulage contractors, our regulators and others key players.

Optimising Our Terminal

In 2024, KWL commissioned the newly redeveloped Berth 7 as the centrepiece of its latest infrastructural development thrust. The berth, which was extended seaward by 15 metres in alignment with previously developed Berths 8 and 9, created 598 metres of continuous quay encompassing all three berths.

Berth 7 has added increased berthing capacity and bolstered KWL's ability to service larger vessels. Since its commissioning at the start of 2024, the Berth has expanded KWL's offering and is playing an increasingly important role in cargo handling and delivery.

Process Improvements

Our Terminal Services Divisions also successfully implemented several key process improvements to enhance customer service and operational efficiency. In that vein, we optimised our container yard to maximise storage capacity and efficiency.

Over the last several years, KWL invested in a Terminal Operating System (TOS) upgrade to streamline vessel operations, yard and gate management and improve cargo clearance to enhance overall customer experience.

In 2024, we maximised the use of the TOS to strengthen our operational efficiency, and installed Machine Data Units (MDU) in our stackers to enhance receival and delivery operations.

By optimising our existing systems, investing in our team members' training and development, and leveraging technology to enhance our operations, we are poised to achieve significant gains in efficiency, productivity, and customer satisfaction. These initiatives will have a lasting impact on our future, enabling us to respond to the evolving needs of our customers, capitalise on emerging market opportunities, and solidify our position as a leader in the logistics and shipping industry.

As we move forward, we anticipate that these improvements will yield long-term benefits, including increased customer loyalty, improved operational resilience, and sustained business growth.

Our Logistics and warehouse services continue to deliver for personal and commercial shippers

Management Discussion & Analysis

Enhancing Logistics and Warehouse Capacity

As demand for warehousing logistics continues to rise, the company remains committed to developing and expanding warehousing solutions to meet market needs effectively.
Our Logistics Services play a pivotal role in the group's operations by delivering the benefits of Special Economic Zone (SEZ) Developer status to our customers. We facilitate 3PL logistics service, nearshoring, warehousing and auto logistics services for global cargo transshipment.

Our B2B partners include regional and global manufacturers and distributors moving and managing consumer goods, telecommunications equipment, petroleum, pharmaceuticals and machinery, as well as motor vehicles and other automotive cargo.

Kingston Wharves injected significant capital into the **Integrated Logistics Complex** at Ashenheim Road to boost capacity to deliver customised logistic services to its B2B clients within a Special Economic Zone. The 130,000 sq. ft. facility combines a dry warehouse with an ambient and temperature controlled storage. The Ashenheim Road complex is now fully tenanted ahead of its official commissioning in 2025.

As one of the group's primary customer-facing arms, the Logistics Services Division also oversees all public bonded warehouses, efficiently delivering personal shipments to individual Jamaicans and commercial cargo to support various industries.

During the year, KWL implemented several strategic initiatives to streamline warehouse and logistics operations to reduce cargo retrieval and wait times. Recognizing the importance of technology in operational success, the company continued to deploy advanced systems to reduce cargo retrieval times and enhance productivity tracking. We also implemented a segmentation strategy, rolling out a **One-Piece Express** clearance system, enabling customers to clear within an hour. The programme will be expanded in the coming year.

Additionally, **a new appointment system** for cargo clearance was initiated to enhance the process and manage capacity.

KWL also began laying the ground work for a major initiative with our public bonded warehouses dedicated exclusively to our commercial customers. A significant milestone will be the launch of a public bonded warehouse dedicated exclusively to commercial cargo clearance, improving service delivery for businesses. With e-commerce projected to drive logistics growth well beyond 2030, We are capitalising on this trend by leveraging cutting-edge technology to position ourselves as the leading regional hub for cargo movement, meeting the rising demand of online shoppers.

Safety and Health

Safety, health and environmental protection are integral components of port operations. Kingston Wharves continues to refine procedures to foster a culture of safety to safeguard life, property and the reputation of the orgranisation.

In 2024, we continued to carry out the requisite safety training, risk assessment, safety audits and inspections to ensure conformance to the safety procedures.

Our efforts to create a safer environment for our team paid off with a 37.5% reduction in total number of incidents for 2024 compared to 2023.

In 2024, we implemented measures to mitigate against incidents and injuries that might arise during work activities at KWL.

Security

The transnational nature of shipping makes it a prime target for nefarious characters who attempt to co-opt the legitimate trade for illicit activities. Jamaica's prime location at the centre of major shipping routes, shipping's multi-faceted operations and vulnerabilities inherent in the industry necessitate that KWL employ strategies to anticipate risks and implement robust countermeasures. The objective of our security programme is to drive the group's risk management and business assurance against ongoing and emerging threats within the shipping industry.

Our effort at security and risk management was recognised by the Secretariat of the Inter-American Committee on Ports (CIP) of the Organization of American States (OAS). In 2024, KWL was awarded the **2024 Maritime Award of the Americas, in the category of Port Security and Risk Management.** The award was presented for Kingston Wharves' commitment to safeguarding port facilities, enhancing security risk assessments, and bolstering measures to mitigate threats. The award is presented to a port that demonstrates excellence and efficiency in mitigating physical threats and managing risks in an integral manner to promote business continuity.

Kingston Wharves maintains its International Ship and Port Facility Security Compliance certificate, a standard for port terminals engaged in the global trade. Under the ISPS regime, KWL upholds its commitment to implementing rigorous security protocols and mechanism, while working in close collaboration with a global network of partners for technical support, intelligence-gathering and interdiction.

Locally, KWL also boasts strong partnerships, comprising state border protection agencies, law enforcement, regulators as well as shipping and logistic interests. We continue to deploy a well-trained team and the latest technological solutions to combat the threats.

Our investment in surveillance, monitoring, access control and intrusion detection equipment has yielded positive results. This has resulted in:

- Increased compliance with policies and procedures.
- Greater detection of safety and security violations.
- Rationalising manning levels.
- Increased close out rate of investigation for safety and security incidents.
- Reduction of security incidents.

Captain George Reynolds, Managing Director of Security Administrators Limited (SAL) receives the 2024 Maritime Award of the America for Port Security and Risk Management on behalf of Kingston Wharves.

Management Discussion & Analysis

Outlook

The year 2025 has dawned under the spectre of immense challenges in global shipping - intensifying trade wars, geo-political re-alignments, increased shipping cost, and the rising price of consumer goods and the higner cost of doing business. Nevertheless, Kingston Wharves remains cautiously optimistic about the future. We are confident that we have built a resilient business, capable of absorbing global shocks and emerging stronger, through our diverse cargo handling capabilities, wide client base and expansive global connections.

In 2025, Kingston Wharves will commemorate its 80th Anniversary, a testament to the Company's longevity, built on a unique vision and enduring transformation strategy that consistently propels us forward. Over the years, we have steadily navigated highs and lows in our business, by staying focused on modernising our physical and digital infrastructure and investing in our team to build capacity while positioning to maximise our future growth potential.

In the last several decades, KWL has established a solid foundation on which we will continue to pursue our growth agenda for 2025 and beyond. Kingston Wharves will place emphasis on consolidating key partnerships while building new alliances by recommitting to the ideal of customer service excellence. We will develop and refine our customer service charter backed by the strategic push to implement **a high service model** encompassing plant optimisation, as well as investment in team certification, training and leadership development. A top priority will be measures to utilise technology-driven process enhancements to promote ease of business, security and safety.

INFRASTRUCTURE OPTIMISATION

We will continue to maximise the benefits from the US$100 million investment in our physical infrastructure made over the last seven years. To underpin the Berth 7 development, we will turn our attention to reconfiguring the backlands adjacent to the newly constructed docking area. This will involve the removal of existing buildings and the relocation of certain auxiliary services, and will support a more defined cargo segmentation strategy that provides greater storage capacity and operational efficiency while enhancing safety and security. KWL will also embark on a targeted drive to replace and upgrade aging port-handling equipment and strengthen refrigerated container management capacity.

Building Motor vehicle capacity will also receive attention, as we move forward with the construction of our multi-level car park within the port boundary. This facility will boost the company's motor vehicle handling capability and its competitiveness as a major auto transshipment hub.

POSITIONING FOR GLOBAL LOGISTICS OPPORTUNITIES

With the prevailing challenges in the geo-political climate and global trade, KWL continues to position itself to play a greater role in delivering high quality solutions to regional and international manufacturers and distributors.

Kingston Wharves officials joined partners Seaboard Jamaica in welcoming the Seaboard Voyager, one of its new generation of LNG-powered vessels, which made its maiden call to the Caribbean at KWL in 2024.

Our 130,000 sq. ft. Integrated Logistics Complex at Ashenheim Road in Kingston, will provide a modern and world-class special economic zone-designated logistics facility from which KWL plans to offer attractive logistics services. Additionally, the announced push to go west remains on the table for KWL, with plans well advanced to establish a warehouse in Montego Bay to serve clients in that part of the island and boost our value proposition as a lead logistics provider for the region.

ENHANCING CUSTOMER SERVICE THROUGH TECHNOLOGY AND E-COMMERCE SOLUTIONS

Our online services are a vital part of our service delivery, revenue collection and business efficiency. Continuing to harness technology to enhance processes and customer service delivery, KWL is revamping its e-commerce and customer service communication apparatus.

As part of the effort to further streamline cargo delivery and reduce wait times, in 2025, KWL is also taking steps to upgrade and expand its electronic appointment system for various cargo types, among other technology-driven and structural mechanisms.

We will also expand our wireless coverage, invest in fibre infrastructure to strengthen connection among our various locations, and maximise the use of our Terminal Operating System for greater terminal efficiency. Going forward, we are aiming to achieve full automation of vessel and yard planning through the use of the TOS.

BUILDING A DYNAMIC WORKFORCE

Success for 2025 and beyond will also be driven by our effort to sustain a dynamic and resilient workforce. Our strategy will prioritize the retention, re-training, motivation, and attraction of top talent with the skills and experience necessary to maintain our competitive edge. We are committed to fostering a robust and excellent corporate culture and enhancing operational efficiencies. As a result, we will ensure that our organisation is well-equipped to adapt, innovate, and thrive in an ever-evolving market.

Of note is our plan to acquire an AI-driven applicant tracking system (ATS) that will automate candidate sourcing, screening, and initial interviews for key roles, ultimately improving hiring decisions. The recruitment process will reduce time-to-hire, improve candidate experience and help to attract top talent quickly, including ensuring staffing needs are met during peak seasons for operational growth.

We will continue to utilise data to underpin our human resource strategy. In 2025, KWL will roll out an employee survey and a digital feedback tool that allows employees to share their views on workplace culture, management, and policies anonymously. This will allow us to more quickly identify areas for improvement in workplace satisfaction and make data-driven decisions to address concerns.

ENVIRONMENT, SOCIAL AND GOVERNANCE

In 2025, Kingston Wharves will further refine its environment, social and governance strategy to achieve closer alignment with its corporate values and international benchmarks. Our goal is to build a more eco-friendly operation and continue to play our part to foster a greener shipping industry while contributing to the social and economic development of our community through targeted and impactful outreach programmes.

With the observance of our 80th anniversary celebrations, we are keen to make 2025 an exceptional year. In the midst of the activities to appropriately recognise this important milestone, KWL will use the opportunity to refine our vision and chart a revitalised course to success for the next 80 years of our existence.

Business Highlights

Kingston Wharves continues to garner recognition in the business sector for positively impacting the landscape through thought leadership, innovative business development initiatives and transformative community actions.

1. CEO Mark Williams (right) celebrates the JSEZA, Sustain-a-Livity Award with Minister of Industry Senator the Hon. Aubyn Hill (second left) and JSEZA's Executive Director, Kelli-Dawn Hamilton (second right), KWL's Business Development Manager Alfred McDonald and Corporate Services and Client Experience Manager Simone Murdock.

2. Corporate Services and Client Experience Manager Simone Murdock and Special Projects Manager Michael Arbouine accept KWL's nomination for the Jamaica Institution of Engineers (JIE) Project of the Year for the US$30 million Berth 7 Redevelopment Project. Sharing in the moment was Dr. Leighton Ellis (right) of the JIE.

3. General Manager for Logistics Dianna Blake-Bennett and Business Development Manager Alfred McDonald (second right) enjoy a light moment with Manpower's CEO Don Gittens (left) and Dr. Hugh Blake, CEO of Trade Board Limited at the JMEA's 360 Conference.

4. Kingston Wharves hosted a UK Trade Mission that was in Jamaica exploring prospects for cooperation. The mission team was led by by Chris Bennett.

5. KWL welcomed the eco-friendly Hoegh Aurora, making its first call to the Caribbean. Chairman Jeffrey Hall (centre) and CEO Mark Williams (left) presented a commemorative plaque to Ship Captain Victor C. Escamilla. Sharing in the moment were officials from International Shipping, the agent for Hoegh Autoliners. L-R are Shara-Kay Kinlocke (COO), Richard Kinlocke (CEO) and Beverley Kinlocke (Chairman).

6. Republic of Korea Charge d'Affaires KIM Jin-wook and a team from Hyundai tour KWL to view auto cargo landed from Korea. Simone Murdock facilitated the tour.

7. Rodrigo Olea (Right), KWL's Chief Operations Officer, Dianna Blake-Bennett and Alfred McDonald hosted a delegation from the Turks and Caicos led by the Hon. Arlington Musgrove (centre).

Corporate Data

Chairman

Jeffrey Hall

Chief Executive Officer

Mark Williams

Auditors

PricewaterhouseCoopers
Scotiabank Centre Corner of Duke & Port Royal Street, Kingston

Directors

Jeffrey Hall CHAIRMAN
Grantley Stephenson DEPUTY CHAIRMAN
Mark Williams CEO
Philip Armstrong
Bruce Brecheisen
Kim Clarke
Roger Hinds
Charles Johnston
Charmaine Maragh
Kathleen Moss
Robert Scavone
Dorian Valdes

Bankers

Bank of Nova Scotia (Jamaica) Limited Scotiabank Centre
Corner of Duke & Port Royal Streets, Kingston

CIBC, First Caribbean International Bank
(Jamaica) Ltd. 23-27 Knutsford Boulevard, Kingston 5

First Global Bank
2 St. Lucia Avenue, Kingston 5

National Commercial Bank Jamaica Limited
The Atrium 32 Trafalgar, Road Kingston 10

Registrar & Transfer Agent

Jamaica Central Securities Depository Limited
40 Harbour Street, Kingston

Corporate Secretary

Stephan Morrison
195 Second Street
Newport West, Kingston 13, Jamaica
corporateaffairs@kwljm.com

Administrative Offices

Total Logistics Facility
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Attorneys-At-Law

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DunnCox
48 Duke Street Kingston

Hylton & Hylton
19 Norwood Avenue, Kingston 5

Hylton Powell
11A Oxford Road, Kingston 5

Livingston Alexander & Levy
72 Harbour Street, Kingston

Nunes, Scholefield, DeLeon & Co.
6A Holborn Road, Kingston

Shareholdings

Top Ten Shareholders as at December 31, 2024

Names	Shareholding	% of Capital
JP Global Holdings Limited	**601,184,005**	42.03
S.B.D. LLC	**300,689,810**	21.02
Kingston Portworkers Superannuation Fund	**77,880,644**	5.45
SAJE Logistics Infrastructure Limited	**74,576,271**	5.21
Maritime & Transport Services Ltd	**68,125,418**	4.76
KWL Employee Share Ownership Trust	**39,423,037**	2.76
Sagicor Pooled Equity Fund	**37,824,010**	2.64
Lannaman & Morris (Shipping) Ltd	**28,845,258**	2.02
Guardian Life Limited	**21,844,844**	**1.53**
Pan Jamaica Group Limited	**11,064,715**	0.77
	1,261,458,012	88.20

Senior Managers' Shareholdings as at December 31, 2024

Names	Shareholding	Connected	Total
Dianna Blake-Bennett	NIL	-	**NIL**
Terri-Ann Gordon	NIL	-	**NIL**
Lancelot Green	3,900	-	**3,900**
Frances Mighty-Hutchinson	NIL	-	**NIL**
Alfred McDonald	NIL	-	**NIL**
Clover Moodie	76,000	-	**76,000**
Stephan Morrison	NIL	-	**NIL**
Rodrigo Olea	NIL	-	**NIL**
Ryan Peart	NIL	-	**NIL**
Captain George Reynolds	1,000	-	**1,000**
Denise Walcott-Samuels	NIL	-	**NIL**

Directors' Shareholdings as at December 31, 2024

Names	Shareholding	Connected	Shareholding	Total
Phillip Armstrong	NIL			**NIL**
Bruce Brecheisen	NIL	S.B.D. LLC	300,689,810	**300,689,810**
Kim Clarke	NIL	Maritime & Transport Services Ltd.	68,125,418	
		SAJE Logistics Infrastructure Limited	74,576,271	
		A.E. Parnell Company Limited	4,277,776	**146,979,465**
Jeffrey Hall	NIL	JP Global Holdings Limited	601,184,005	
		SAJE Logistics Infrastructure Limited	74,576,271	
		Pan Jamaica Group Limited	11,064,715	**686,824,991**
Roger Hinds	NIL	Transocean Shipping Limited	1,481,481	
		SAJE Logistics Infrastructure Limited	74,576,271	**76,057,752**
Charles Johnston	57,160	Jamaica Fruit & Shipping Limited	381,068	
		JP Global Holdings Limited	601,184,005	
		SAJE Logistics Infrastructure Limited	74,576,271	
		Pan Jamaica Group Limited	11,064,715	**687,263,219**
Charmaine Maragh	NIL	Lannaman & Morris Shipping Ltd.	28,845,258	**28,845,258**
Kathleen Moss	2,000	JP Global Holdings Limited	601,184,005	
		Pan Jamaica Group Limited	11,064,715	**612,250,720**
Robert Scavone	NIL			**NIL**
Grantley Stephenson	194,981	SAJE Logistics Infrastructure Limited	74,576,271	**74,771,252**
Dorian Valdes	NIL			**NIL**
Mark Williams	487,601			**487,601**

Financial Statements

Year ended 31 December 2024

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Independent auditor's report

To the Members of Kingston Wharves Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Kingston Wharves Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2024, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act.

What we have audited

The Group's consolidated and stand-alone financial statements comprise:

- the Group statement of financial position as at 31 December 2024;
- the Group statement of comprehensive income for the year then ended;
- the Group statement of changes in equity for the year then ended;
- the Group statement of cash flows for the year then ended;
- the Company statement of financial position as at 31 December 2024;
- the Company statement of comprehensive income for the year then ended;
- the Company statement of changes in equity for the year then ended;
- the Company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: (876) 922 7581, www.pwc.com/jm

B.L. Scott B.J. Denning G.A. Reece P.A. Williams R.S. Nathan C.I. Bell-Wisdom G.K. Moore T.N. Smith DaSilva K.D. Powell.

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Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and stand-alone 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 Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope
We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group has 12 reporting components. The Company and one other component were selected for full-scope audits as they were determined to be individually significant based on size or risk while audits of certain account balances were performed on 6 other components. The components subject to audit procedures are all located in Jamaica, with the accounting records of all entities maintained at the same location. A single audit team was responsible for the audits of all components selected for testing.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of defined benefit pension asset and other retirement benefit obligations (Group and Company) *Refer to notes 2(s), 4 and 21 to the consolidated and stand-alone financial statements for disclosures of related accounting policies and balances.* The group operates a defined benefit plan which is funded by payments from employees and by the Group and Company, taking into account the recommendations of qualified actuaries. At 31 December 2024, the values in the statement of financial position totalled $1,745 million for the Group and Company for the pension benefit asset (2.88% and 3.61% of total assets for the Group and Company respectively) and $313 million for the Group and Company for the other post-employment benefit obligations (2.47% and 2.56% respectively of total liabilities). The cost of pension benefits and the present value of these benefits depend on a number of factors and assumptions. Due to the complexity of the balance, management appointed an external actuary to perform the valuations. The assumptions used in determining the asset for the pension benefits and the liabilities for the other post-employment benefits included: • the expected long-term rate of return on the relevant plan assets; • the discount rate; • future salary increases; • life expectancy; and • the expected rate of increase in medical costs in the case of post-employment medical benefits. Any changes in these assumptions will impact the valuation of the assets and liabilities recorded for pension and post-employment benefits. This is an area of focus due to the numerous assumptions used in determining the values at year end.	In order to address the matter, with the assistance of our actuarial experts, we performed the following procedures, amongst others: • Evaluated the valuation technique used to perform the valuation of retirement benefits to determine whether it is consistent with the requirements of IAS 19, Employee Benefits. • Assessed the competence and objectivity of the management appointed actuary to determine whether they are appropriately qualified and whether there was any affiliation to the Group or Company. • Tested, on a sample basis, the employee data submitted to the actuary against information maintained on the employees' personnel files maintained by the Group and Company. • Assessed the assumptions used by the actuary which included comparing them to externally derived data such as economic statistics from the Bank of Jamaica, Group Annual Mortality Tables from the Society of Actuaries, and the discount rate from the Institute of Chartered Accountants of Jamaica. • Confirmed certain assets of the plans with the custodian of these assets and recomputed their fair values by reference to readily available external data including quoted stock prices and yield curves.

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Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

Management is responsible for the preparation of the consolidated and stand-alone financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone financial statements as a whole are free from material misstatement, 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 consolidated and stand-alone financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and stand-alone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate 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 Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Group or 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 consolidated and stand-alone 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 Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. 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 identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditor's report is Garfield Reece.

PricewaterhouseCoopers
Kingston, Jamaica
3 March 2025

Group Statement of Comprehensive Income

Year ended 31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 $'000	2023 $'000
Revenue		10,713,507	9,710,789
Direct costs		(6,097,225)	(4,905,972)
Gross Profit		4,616,282	4,804,817
Other operating income	8	648,573	785,332
Administration expenses		(1,752,344)	(1,617,204)
Operating Profit		3,512,511	3,972,945
Finance costs	9	(326,781)	(189,773)
Profit before Tax		3,185,730	3,783,172
Tax expense	10	(457,399)	(591,602)
Net Profit for Year		2,728,331	3,191,570
Other Comprehensive Income			
Item that may be reclassified to profit or loss			
Changes in fair value of investments at fair value through other comprehensive income		52,814	-
Items that will not be reclassified to profit or loss			
Re-measurements of post-employment benefits	21	185,900	891,940
Deferred tax effect on re-measurements of post -employment benefits	30	(23,238)	(111,493)
Surplus on revaluation of property, plant and equipment		-	7,895,631
Deferred tax effect on revaluation surplus		-	(286,850)
De-recognition of revaluation surplus on disposal of PPE		-	(42,018)
Deferred tax effect on de-recognition of revaluation surplus		-	5,252
Effect of change in tax rate on deferred taxation on revaluation surplus		-	252,583
		215,476	8,605,045
Total Comprehensive Income for year		2,943,807	11,796,615
Net Profit Attributable to:			
Equity holders of the company	11	2,609,883	3,116,068
Non-controlling interest	12	118,448	75,502
		2,728,331	3,191,570
Total Comprehensive Income Attributable to:			
Equity holders of the company		2,825,359	11,721,113
Non- controlling interest	12	118,448	75,502
		2,943,807	11,796,615
Earnings per stock unit of profit attributable to the equity holders of the company during the year	13	1.86	2.20

Kingston Wharves Limited

Group Statement of Financial Position

31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 $'000	2023 $'000
Non-current Assets			
Property, plant and equipment	15	43,700,069	42,253,040
Right of use assets	16	378,805	428,215
Investment property	17	529,027	536,947
Intangible assets	18	23,361	41,309
Financial assets at fair value through other comprehensive income	20	502,431	449,617
Deferred income tax assets	30	1,169	863
Retirement benefit asset	21	1,744,699	1,530,336
		46,879,561	45,240,327
Current Assets			
Inventories	22	585,439	653,280
Trade and other receivables	24	982,568	921,686
Taxation recoverable		304,077	181,941
Short term investments	25	10,603,474	11,161,669
Cash and bank	25	1,275,643	923,480
		13,751,201	13,842,056
Total Assets		60,630,762	59,082,383

Group Statement of Financial Position

Continued

31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 $'000	2023 $'000
Equity			
Stockholders' Equity			
(attributable to equity holders of the company)			
Share capital	26	981,237	1,477,190
Other reserves	27	26,854,256	26,788,863
Asset replacement/rehabilitation and depreciation reserves	28	219,340	218,443
Retained earnings		19,379,078	17,592,545
		47,433,911	46,077,041
Non- controlling Interest	12	509,447	390,999
		47,943,358	46,468,040
LIABILITIES			
Non-current liabilities			
Borrowings	29	6,229,580	6,474,054
Lease liabilities	16	500,526	457,573
Deferred income tax liabilities	30	1,768,333	1,667,645
Retirement benefit obligations	21	313,211	327,717
		8,811,650	8,926,989
Current Liabilities			
Trade and other payables	31	2,685,042	2,778,180
Taxation		61,900	164,103
Borrowings	29	1,072,360	701,930
Lease liabilities	16	56,452	43,141
		3,875,754	3,687,354
Total Equity and Liabilities		60,630,762	59,082,383

Approved for issue by the Board of Directors on 1 March 2025 and signed on its behalf by:

Jeffrey Hall Chairman

Mark Williams Director

KINGSTON WHARVES LIMITED

Group Statement of Changes in Equity

Year ended 31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

		Attributable to Equity Holders of the Company						
	Note	Share Capital	Other Reserves	Asset Replacement/ Rehabilitation and Depreciation Reserves	Retained Earnings	Total	Non-controlling Interest	Total Equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 31 December 2022		1,976,298	18,951,686	217,577	14,682,011	35,827,572	315,497	36,143,069
Net profit for the year		-	-	-	3,116,068	3,116,068	75,502	3,191,570
Other comprehensive income			7,824,598	-	780,447	8,605,045	-	8,605,045
Total comprehensive income for year		-	7,824,598	-	3,896,515	11,721,113	75,502	11,796,615
Transfer of net interest to asset replacement/rehabilitation depreciation reserves	28	-	-	866	(866)	-	-	-
Transfer to asset replacement/rehabilitation and depreciation reserves	28	-	-	12,579	(12,579)	-	-	-
Transfer from asset replacement/rehabilitation and depreciation reserves	28	-	12,579	(12,579)	-	-	-	-
Transactions with owners								
Acquisition of treasury shares		(500,358)	-	-	-	(500,358)	-	(500,358)
Sale of treasury shares		1,250	-	-	-	1,250	-	1,250
Dividends	14	-	-	-	(972,536)	(972,536)	-	(972,536)
Balance at 31 December 2023		1,477,190	26,788,863	218,443	17,592,545	46,077,041	390,999	46,468,040
Net profit for the year		-	-	-	2,609,883	2,609,883	118,448	2,728,331
Other comprehensive income		-	52,814	-	162,662	215,476	-	215,476
Total comprehensive income for year		-	52,814	-	2,772,545	2,825,359	118,448	2,943,807
Transfer of net interest to asset replacement/rehabilitation depreciation reserves	28	-	-	897	(897)	-	-	-
Transfer to asset replacement/rehabilitation and depreciation reserves	28	-	-	12,579	(12,579)	-	-	-
Transfer from asset replacement/rehabilitation and depreciation reserves	28	-	12,579	(12,579)	-	-	-	-
Transactions with owners								
Acquisition of treasury shares		(500,000)	-	-	-	(500,000)	-	(500,000)
Sale of treasury shares		4,047	-	-	-	4,047	-	4,047
Dividends	14	-	-	-	(972,536)	(972,536)	-	(972,536)
Balance at 31 December 2024		981,237	26,854,256	219,340	19,379,078	47,433,911	509,447	47,943,358

Group Statement of Cash Flows

Year ended 31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Net profit		2,728,331	3,191,570
Adjustments for:			
Amortisation of intangible assets	18	18,304	20,370
Depreciation – investment property	17	7,918	7,918
Depreciation- property, plant and equipment	15	1,158,067	657,690
Depreciation – leased asset	16	49,409	43,963
Foreign exchange gains on operating activities		(44,865)	(210,147)
Gain on disposal of property, plant and equipment		(276)	(5,778)
Retirement benefit asset		(23,787)	(42,766)
Retirement benefit obligations		(19,182)	32,237
Interest income	8	(600,047)	(555,247)
Finance costs	9	326,781	189,773
Taxation	10	457,399	591,602
		4,058,052	3,921,185
Changes in operating assets and liabilities:			
Inventories		67,841	(80,500)
Trade and other receivables		(201,363)	(79,750)
Trade and other payables		(94,380)	612,527
Cash provided by operations		3,830,150	4,373,462
Taxes paid		(458,977)	(614,083)
Net cash provided by operating activities		3,371,173	3,759,379
Cash flows from investing activities			
Purchase of property, plant and equipment	15	(2,605,326)	(5,774,866)
Purchase of intangible assets	18	(356)	(15,457)
Proceeds from sale of property, plant and equipment		519	5,778
Interest received		604,981	551,783
Net cash used in investing activities		(2,000,182)	(5,232,762)
Cash flows from financing activities			
Dividends paid to equity holders of the company		(972,940)	(967,845)
Acquisition of treasury shares	26	(500,000)	(500,358)
Sale of treasury shares		4,047	1,250
Interest paid		(186,824)	(89,740)
Lease payments made		(98,528)	(60,530)
Loan proceeds		748,000	5,120,000
Loans repaid		(622,044)	(432,685)
Net cash (used in)/provided by financing activities		(1,628,289)	3,070,092
Net (decrease)/increase in cash and cash equivalents		(257,298)	1,596,709
Net cash and cash equivalents at beginning of year		12,085,149	10,275,790
Exchange adjustment on foreign currency cash and cash equivalents		51,266	212,650
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	25	11,879,117	12,085,149

Kingston Wharves Limited

Company Statement of Comprehensive Income

Year ended 31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 $'000	2023 $'000
Revenue		8,335,299	7,838,877
Direct expenses		(4,642,584)	(3,808,482)
Gross Profit		3,692,715	4,030,395
Other operating income	8	667,887	785,978
Administration expenses		(1,672,155)	(1,528,431)
Operating Profit		2,688,447	3,287,942
Finance costs	9	(348,923)	(194,599)
Profit before Tax		2,339,524	3,093,343
Tax expense	10	(352,742)	(498,371)
Net Profit for Year		1,986,782	2,594,972
Other Comprehensive Income			
Item that may be reclassified to profit or loss			
Changes in fair value of investments at fair value through other comprehensive income		35,281	-
Items that will not be reclassified to profit or loss			
Re-measurements of post-employment benefits	21	185,900	891,940
Deferred tax effect on re-measurements of post -employment benefits	30	(23,238)	(111,493)
Surplus on revaluation of property, plant and equipment		-	5,263,199
Deferred tax effect on revaluation surplus		-	(218,654)
Total other comprehensive income net of taxes		197,943	5,824,992
Total Comprehensive Income for year		2,184,725	8,419,964

Company Statement of Financial Position

31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Notes	2024 $'000	2023 $'000
Assets			
Non-current Assets			
Property, plant and equipment	15	35,185,662	33,486,538
Right of use assets	16	490,274	468,184
Intangible assets	18	22,860	40,394
Investments in subsidiaries	19	75,731	75,731
Financial assets at fair value through other comprehensive income	20	335,634	300,353
Group companies	23	473,010	474,197
Retirement benefit asset	21	1,744,699	1,530,336
		38,327,870	36,375,733
Current Assets			
Inventories	22	578,994	648,665
Trade and other receivables	24	683,214	617,422
Taxation recoverable		213,059	105,952
Group companies	23	65,588	142,896
Short term investment	25	7,769,012	9,199,187
Cash and bank	25	752,397	495,300
		10,062,264	11,209,422
Total Assets		48,390,134	47,585,155

Kingston Wharves Limited

Company Statement of Financial Position

Continued

31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Notes	2024 $'000	2023 $'000
Equity			
Stockholders' Equity			
Share capital	26	981,237	1,477,190
Other reserves	27	17,021,920	16,974,060
Asset replacement/rehabilitation and depreciation reserves	28	212,968	212,968
Retained earnings		17,918,746	16,754,417
		36,134,871	35,418,635
LIABILITIES			
Non-current liabilities			
Borrowings	29	6,228,128	6,472,602
Lease liabilities	16	571,945	457,573
Deferred income tax liabilities	30	1,433,689	1,305,383
Retirement benefit obligations	21	313,211	327,717
		8,546,973	8,563,275
Current Liabilities			
Trade and other payables	31	2,513,146	2,652,818
Group companies	23	30,906	30,895
Taxation		-	138,615
Borrowings	29	1,072,360	701,930
Lease liabilities	16	91,878	78,987
		3,708,290	3,603,245
Total Equity and Liabilities		48,390,134	47,585,155

Approved for issue by the Board of Directors 1 March 2025 and signed on its behalf by:

Jeffrey Hall — Chairman

Mark Williams — Director

KINGSTON WHARVES LIMITED

Company Statement of Changes in Equity

Year ended 31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	Share Capital	Other Reserves	Asset Replacement/ Rehabilitation and Depreciation Reserves	Retained Earnings	Total
		$'000	$'000	$'000	$'000	$'000
Balance at 31 December 2022		1,976,298	11,916,936	212,968	14,364,113	28,470,315
Net profit for the year		-	-	-	2,594,972	2,594,972
Other comprehensive income		-	5,044,545	-	780,447	5,824,992
Total comprehensive income for year		-	5,044,545	-	3,375,419	8,419,964
Transfer of net interest to asset replacement/rehabilitation depreciation reserves	28	-	-	12,579	(12,579)	-
Transfer to asset replacement/rehabilitation and depreciation reserves	28	-	12,579	(12,579)	-	-
Transactions with owners						
Acquisition of treasury shares		(500,358)	-	-	-	(500,358)
Sale of treasury shares		1,250	-	-	-	1,250
Dividends	14	-	-	-	(972,536)	(972,536)
Balance at 31 December 2023		1,477,190	16,974,060	212,968	16,754,417	35,418,635
Net profit for the year		-	-	-	1,986,782	1,986,782
Other comprehensive income		-	35,281	-	162,662	197,943
Total comprehensive income for year		-	35,281	-	2,149,444	2,184,725
Transfer to asset replacement/rehabilitation and depreciation reserves	28	-	-	12,579	(12,579)	-
Transfer from asset replacement/rehabilitation and depreciation reserves	28	-	12,579	(12,579)	-	-
Transactions with owners						
Acquisition of treasury shares		(500,000)	-	-	-	(500,000)
Sale of treasury shares		4,047	-	-	-	4,047
Dividends	14	-	-	-	(972,536)	(972,536)
Balance at 31 December 2024		981,237	17,021,920	212,968	17,918,746	36,134,871

Kingston Wharves Limited

Company Statement of Cash Flows

Year ended 31 December 2024 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Net profit		1,986,782	2,594,972
Adjustments for:			
Amortisation of intangible assets	18	17,890	19,935
Depreciation- property, plant and equipment	15	892,145	484,054
Depreciation – leased asset	16	119,905	111,067
Foreign exchange gains on operating activities		(41,950)	(186,449)
Gain on disposal of property, plant and equipment	8	(276)	(5,778)
Write-off of property, plant and equipment and intangibles		-	35,608
Retirement benefit asset		(23,787)	(42,766)
Retirement benefit obligations		(19,182)	32,237
Interest income	8	(512,312)	(479,525)
Finance costs	9	348,923	194,599
Taxation	10	352,742	498,371
		3,120,880	3,256,325
Changes in operating assets and liabilities:			
Inventories		69,671	(79,696)
Group companies		78,505	184,206
Trade and other receivables		(183,961)	(48,034)
Trade and other payables		(139,268)	569,102
Cash provided by operations		2,945,827	3,881,903
Taxes paid		(375,230)	(474,864)
Net cash provided by operating activities		2,570,597	3,407,039
Cash flows from investing activities			
Purchase of property, plant and equipment	15	(2,591,493)	(5,767,437)
Purchase of intangible assets	18	(356)	(15,457)
Proceeds from sale of property, plant and equipment		520	5,778
Interest received		517,760	477,622
Net cash used in investing activities		(2,073,569)	(5,299,494)
Cash flows from financing activities			
Dividends paid to equity holders of the company		(972,940)	(967,845)
Acquisition of treasury shares	26	(500,000)	(500,358)
Sale of treasury shares		4,047	1,250
Interest paid		(186,824)	(89,739)
Lease payments made		(175,484)	(140,363)
Loan proceeds		748,000	5,120,000
Loans repaid		(622,044)	(432,685)
Net cash (used in)/provided by financing activities		(1,705,245)	2,990,260
Net (decrease)/increase in cash and cash equivalents		(1,208,217)	1,097,805
Net cash and cash equivalents at beginning of year		9,694,487	8,415,630
Exchange adjustment on foreign currency cash and cash equivalents		35,139	181,052
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	25	8,521,409	9,694,487

1. Identification and Principal Activities

The company and its subsidiaries (the Group) are incorporated and domiciled in Jamaica. The principal activities of the company and its subsidiaries consist of the operation of public wharves, stevedoring, logistics services and security services. The wharfage rates and penal charges billed to customers by the company are subject to regulation by the Port Authority of Jamaica.

The company's registered office is located at the Total Logistics Facility, 195 Second Street, Newport West, Kingston. The company is a public company listed on the Jamaica Stock Exchange.

2. Material Accounting Policies

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

(a) Basis of preparation

The consolidated financial statements of the Group and the financial statements of the company standing alone (together referred to as the financial statements) have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS Accounting Standards. The financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain items of property, plant and equipment and financial assets at fair value through other comprehensive income.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

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

Certain new accounting standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that none had a material impact on its operations.

- **Amendment to IAS 1, Presentation of financial statements', on classification of liabilities** (effective for annual periods beginning on or after 1 January 2024). This amendment clarifies that, for an entity to classify a liability as non-current, the entity must have the right at the reporting date to defer settlement of the liability for at least twelve months after that date. The amendments clarify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity's reporting date.

2. Material Accounting Policies (Continued)

(a) Basis of preparation(continued)

Standards, amendments and interpretations to existing standards that the Group has not yet adopted

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretations to existing standards have been issued which are mandatory for the Group's accounting periods beginning on or after 1 January 2025 or later periods, but were not effective for the current period, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

- **Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7,** (effective for annual periods beginning on or after 1 January 2026). These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system, clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

- **IFRS 18, 'Presentation and Disclosure in Financial Statements'** (effective for annual periods beginning on or after 1 January 2027). This is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss with defined subtotals, requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss, required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures), and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

- **IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'** (effective for annual periods beginning on or after 1 January 2027). This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

  A subsidiary is eligible if:
  - it does not have public accountability; and
  - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

There are no other standards, amendments to existing standards or interpretations that are not yet effective that would be expected to have a significant impact on the operations of the Group.

2. Material Accounting Policies (Continued)

(b) Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

In the company stand-alone financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2. Material Accounting Policies (continued)

(b) Consolidation (continued)

Subsidiaries (continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability are recognised either in profit or loss.Contingent consideration that is classified as equity in accordance with IFRS 9 is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies. When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The subsidiaries, which are all incorporated and domiciled in Jamaica (except KWGHSLL which is incorporated and domiciled in St. Lucia), are as follows:

	Principal Activities	Holding by Company	Holding by Group	Financial Year End
Harbour Cold Stores Limited	Rental of cold storage facilities	100%	100%	31 December
Security Administrators Limited	Security services	33 ⅓%	66 ⅔%	31 December
Western Storage Limited	Property rental	100%	100%	31 December
Western Terminals Limited	Property rental	100%	100%	31 December
KWL Group Holdings (St Lucia) Limited (KWGHSLL)	Non-Trading	100%	100%	31 December
Kingston Terminal Operators Limited	Dormant	100%	100%	31 December

2. Material Accounting Policies (Continued)

(b) Consolidation (continued)

Subsidiaries (continued)

The subsidiaries, which are all incorporated and domiciled in Jamaica (except KWGHSLL which is incorporated and domiciled in St. Lucia), are as follows (continued):

	Principal Activities	Holding by Company	Holding by Group	Financial Year End
Newport Stevedoring Services Limited	Provision of contract labour	-	100%	31 December
Kingston Wharves Group Limited	Non-Trading	-	100%	31 December
KW Logistics Limited	Logistics services	-	100%	31 December
KW Stevedores Limited	Non-Trading	-	100%	31 December
KW Warehousing Services Limited	Property rental	-	100%	31 December

Transactions with non-controlling interests

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(c) Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities and is recognised as performance obligations are satisfied at the point in time that the services are rendered. Revenue is shown net of General Consumption Tax, rebates and discounts and after eliminating sales within the Group.

Services

These are charges made for wharfage operations, rental of and repairs to cold storage facilities, storage and warehousing of goods after deduction of discounts and other reductions applicable to such charges. The charges are recognised in the accounting period in which the services are rendered based on services provided to the end of the accounting period in accordance with contracted rates, except penal charges which are accounted for on a cash basis. Port security services income is based on hourly rates for services rendered to the end of the accounting period. This accounting policy applied to the current and previous year.

Credit customers are invoiced when the services are rendered and consideration is payable when invoiced. Payment is due from other customers at the point where the performance obligation is satisfied.

2. Material Accounting Policies (Continued)

(c) Revenue and income recognition (continued)

Interest income

Interest income on financial assets at amortised cost and financial assets at FVOCI is recognised on a time-proportionate basis using the effective interest method. When interest receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

(d) Property, plant and equipment

Plant and buildings consist mainly of walls, piers, berths, roadways, warehouses and offices.
Land, plant and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the asset's carrying amount after revaluation equals its revalued amount. Fair value represents open market value for land while buildings are shown at depreciated replacement cost as there is no market-based evidence of fair value because of the specialised nature of the buildings and the buildings cannot be sold except as part of a continuing business. All other property, plant and equipment are stated at cost less depreciation. Cost includes any expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as capital reserves, within other reserves in stockholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against capital reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. The annual rates in use are:

Plant and buildings comprising buildings, leasehold properties, walls, piers, berths and roadways	1.33% - 5%
Machinery and equipment	4% - 20%
Cold room and refrigeration equipment	10%
Furniture and fixtures	5% - 10%
Motor vehicles	10% - 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(g)). Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with their carrying amounts and are included in profit or loss. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2. Material Accounting Policies (Continued)

(e) Investment property

Investment properties, principally freehold warehouse buildings, are held for long-term rental yields and are not occupied by the Group. Investment property is shown at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. On replacement of a separately measured part of an item of investment property, the carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income when the expenditure is incurred.

Depreciation is calculated on the straight-line balance basis at annual rates to write off the relevant assets over their expected useful lives as follows:

Buildings	2.5%

Land is not depreciated.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its recoverable amount (Note 2 (g)).

Gains and losses on disposal of investment property are determined by comparing proceeds with their carrying amounts and are included in the statement of comprehensive income.

(f) Intangible assets

Separately acquired rights and benefits under third party contracts with a finite useful life are shown at historical cost less subsequent amortisation and any impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the rights and benefits over their estimated useful lives of five to ten years. Separately acquired computer software licences are shown at historical cost less subsequent amortisation. Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of five years.

(g) Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows. Non-financial assets that suffer impairment are reviewed for possible reversal of the impairment at each statement of financial position date.

(h) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Jamaican dollars, which is the functional currency of all the entities in the Group.

2. Material Accounting Policies (Continued)

(h) Foreign currency translation (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to liabilities are presented in profit or loss with 'finance costs.

(i) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost less loss allowance.

Other miscellaneous assets

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

i. the asset is held within a business model whose objective is to collect the contractual cash flows; and,
ii. the contractual terms give rise to cash flows that are solely payments of principal and interest.

Due to the short-term nature of the other miscellaneous assets, their carrying amount is considered to be the same as their fair value.

(j) Investments in subsidiaries

Investments by the company in subsidiaries are stated at cost less impairment.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of selling expenses.

(l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and which are subject to an insignificant risk of changes in value net of bank overdrafts. Bank overdrafts are shown in borrowings in current liabilities in the statement of financial position.

(m) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2. Material Accounting Policies (Continued)

(n) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(o) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

When share capital is repurchased, including shares repurchased for the employee share ownership trusts, the amount of consideration paid, including directly attributable costs, is recognised as a deduction from share capital as treasury shares.

(p) Leases

The Group acting as lessee, recognises a right-of-use asset and a lease liability for all leases with a term of more than 12 months.

At the commencement date, lease liabilities are measured at an amount equal to the present value of the following lease payments for the underlying right-of-use assets during the lease term:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point.

Each lease payment is allocated between the liability and finance cost. Lease liabilities are subsequently measured using the effective interest method. The carrying amount of liability is remeasured to reflect any reassessment, lease modification or revised in-substance fixed payments.

The lease term is a non-cancellable period of a lease; periods covered by options to extend and terminate the lease are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated.

2. Material Accounting Policies (Continued)

(p) Leases (continued)

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

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Subsequently, the right-of-use assets, are measured at cost less accumulated depreciation and any accumulated impairment losses and adjusted for remeasurement of the lease liability due to reassessment or lease modifications.

The 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. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with all short-term leases and certain leases of all low-value assets are recognised on a straight-line basis as an expense in profit or loss. The Group applies the exemption for low-value assets on a lease-by-lease basis i.e. for the leases where the asset is sub-leased, a right-of-use asset is recognised with corresponding lease liability; for all other leases of low value asset, the lease payments associated with those leases will be recognised as an expense on a straight-line basis over the lease term.

Short - term leases are leases with a lease term of 12 months or less.

The right-of-use assets is presented as a separate line item on the statement of financial position. At the commencement date, lease liabilities are measured at an amount equal to the present value of the lease payments for the underlying right- of- use assets during the lease term.

The Group leases office buildings, storage space and vehicles to conduct aspects of it business. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions (including termination and renewal rights). Extension and termination options are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by both the Group and the respective lessor.

Rental contracts are typically made for fixed periods of 1 to 5 years but may have extension options for an additional 1 to 5 years.

The lease payments are fixed and adjusted for inflation. The inflation increases are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

2. Material Accounting Policies (Continued)

(p) Leases (continued)

Extension and termination options

Extension and termination options are included in property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable by the respective lessor and not only by the Group.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the statement of financial position based on their nature.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions as it relates to operations.

(r) Dividends

Dividend distribution to the company's equity holders is recognised initially as a liability in the Group's financial statements in the period in which the dividends are approved.

(s) Employee benefits

Pension obligations

The Group participates in two retirement plans, the assets of which are generally held in separate trustee-administered funds. The pension plans are funded by payments from employees and by the Group, taking into account the recommendations of qualified actuaries. The Group has a defined benefit and a defined contribution plan.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The asset or liability recognised in the statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets, together with adjustments for past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the profit or loss.

The Group, through a subsidiary, also participates in a defined contribution plan whereby it pays contributions to a privately administered pension plan which is administered by trustees. Once the contributions have been paid, the subsidiary has no further payment obligations. The contributions are charged to the income statement in the period to which they relate.

2. Material Accounting Policies (Continued)

(s) Employee benefits (continued)

Other retirement obligations

The Group provides post-employment health care and life insurance benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

Equity compensation benefits

The company established employee share ownership schemes for employees. Under the terms of the schemes, shares may be issued to employees by way of grants or options, which are exercised at the discretion of the employee. The difference between the fair value of the grant or option and the consideration received by the company is recognised as an expense.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(t) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fees are deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fees are capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(u) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2. Material Accounting Policies (Continued)

(v) Taxation

The tax expense comprises current and deferred income taxes. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In those cases, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax charges are based on taxable profit for the year, which differs from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current income tax is calculated at tax rates that have been enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Tax assets and liabilities are offset when they arise from the same taxable entity, relate to the same Tax Authority and when the legal right of offset exists.

(w) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity. Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

2. Material Accounting Policies (Continued)

(w) Financial instruments (continued)

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payment is established.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See note 3(a) for further details.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 365 days past due.

3. Financial Risk Management

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

The Group's risk management policies are designed to identify and analyse 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 Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

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

3. Financial Risk Management (continued)

(a) Credit risk

Management seeks to minimise potential adverse effects on the financial performance of the Group by applying procedures to identify, evaluate and manage these risks, based on guidelines set by the Board.

The Board, through the Audit Committee, oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group is exposed to credit risk where a party to a financial instrument may fail to discharge an obligation and causes the Group to incur a financial loss. The Group manages its concentrations of credit risk and places its cash and cash equivalents with high quality financial institutions. The Group limits the amount of credit exposure to any one financial institution. The Group's choice of financial institution is based primarily on its high asset base and stability over the years. The Group's customer base comprises a number of shipping lines represented by their local agents and numerous other customers in a variety of business sectors. The Group has policies in place to ensure that sales of services are made to customers with an appropriate credit history.

Maximum exposure to credit risk

The maximum exposure of the Group and Company to credit risk is as follows:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Group companies – non-current	-	-	473,010	474,197
Trade receivables	811,412	706,744	548,234	438,332
Other receivables	108,720	156,549	80,886	129,322
Group companies	-	-	65,589	142,896
Short term investments	10,603,474	11,161,669	7,769,012	9,199,187
Cash at bank	1,275,643	923,480	752,397	495,300
	12,799,249	12,948,442	9,689,128	10,879,234

Credit review process

Management performs regular analyses of the ability of customers and their counterparties to meet repayment obligations.

The Group applied the IFRS 9 simplified approach to measuring expected credit losses by conducting an analysis of provisioning based on two approaches. The first approach was based on conducting an internal analysis of the trend in provisioning and focused on the trade receivables portfolios. The second approach involved an external analysis of the industry and market trends. This analysis did not directly influence the estimation of the default rates but rather provided guidance with respect to future expectations of the industry, performance of the economy and likely impact on key customers.

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

On that basis, the loss allowance was determined as follows for trade receivables.

	The Group				
	Current $'000	31-60 $'000	Over 60 Days $'000	61-365 Days $'000	Total $'000
31 December 2024					
Weighted average loss rate	0.15%	0.34%	19.93%	98.58%	
Gross carrying amount trade receivables	535,836	209,439	83,450	59,616	888,341
Loss Allowance	808	721	16,629	58,771	76,929
31 December 2023					
Weighted average loss rate	0.27%	0.49%	20.47%	99.65%	
Gross carrying amount trade receivables	415,333	238,485	69,148	66,931	789,897
Loss Allowance	1,128	1,173	14,152	66,700	83,153

	The Company				
31 December 2024					
Weighted average loss rate	0.00003%	0.0006%	6.61%	100%	
Gross carrying amount trade receivables	351,247	160,758	38,795	17,727	568,527
Loss Allowance	-	1	2,565	17,727	20,293
31 December 2023					
Weighted average loss rate	0.002%	0.001%	18.77%	100%	
Gross carrying amount trade receivables	245,374	144,413	59,771	20,522	470,080
Loss Allowance	4	1	11,221	20,522	31,748

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Movement in the provision for impairment of receivables

Trade and other receivables

Movements on the provision for impairment of trade receivables are as follows:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
At 1 January	83,153	51,485	31,748	38,622
Loss allowance	33,316	51,248	12,642	12,706
Receivables written off	(12,755)	-	(12,755)	-
Amounts recovered	(26,785)	(19,580)	(11,342)	(19,580)
At 31 December	76,929	83,153	20,293	31,748

The movement in the provision for credit losses for the year included $4,487,000 (2023: $982,000) and $6,283,000 (2023: $55,000) for the Group and company respectively for related companies. These amounts are included in loss allowance in profit or loss.

The creation and release of provision for impaired receivables have been included in expenses in profit or loss 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.

There are no financial assets other than those listed above that were individually impaired.

Concentrations of risk

(i) Trade receivables

The following table summarises the Group and company's credit exposure for trade receivables at their carrying amounts, as categorised by the concentration of customers:

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Top ten customers	833,559	729,281	523,027	414,691
Other	54,782	60,616	45,500	55,389
	888,341	789,897	568,527	470,080
Less: Provision for credit losses	(76,929)	(83,153)	(20,293)	(31,748)
	811,412	706,744	548,234	438,332

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Concentrations of risk (continued)

(ii) Cash and cash equivalents and short-term investments

Short term investments comprise of cash on deposit held with financial institutions. The Group maintains cash resources with reputable financial institutions. The credit risk is considered to be low and the allowance for expected credit loss is immaterial.

(iii) Group companies

The Group assesses each group company's ability to pay if payment is demanded as at the reporting date. Management reviews recovery scenarios considering given economic conditions and the borrower's liquidity over the expected life of the recoverable. The company has applied the low credit risk exception. The expected credit losses on these balances are immaterial.

(iv) Other receivables

Other receivables comprise deposit with a supplier and other miscellaneous items. The Group considers credit risk to be low in respect of these matters

(b) Liquidity risk

Liquidity risk is the risk that the Group may be 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 Group's liquidity management process, as carried out within the Group and monitored by the Board of Directors, includes:

(i) Monitoring future cash flows and liquidity on a daily 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.
(ii) Maintaining committed lines of credit;
(iii) Optimising cash returns on investment and;
(iv) Managing the concentration and profile of debt maturities.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Group.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates.

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Financial liabilities cash flows

The tables below summarise the maturity profile of the Group's and company's financial liabilities at 31 December based on contractual undiscounted payments at contractual maturity dates.

	The Group					
	Within 1 month	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
			2024			
Borrowings	10,635	373,584	1,043,253	5,761,914	1,417,582	8,606,968
Lease liabilities	8,185	16,371	73,669	466,394	166,885	731,504
Trade and other payables	2,685,042	-	-	-	-	2,685,042
Total financial liabilities	2,703,862	389,955	1,116,922	6,228,308	1,584,467	12,023,514
			2023			
Borrowings	26,152	152,863	809,589	6,058,876	1,575,335	8,622,815
Lease liabilities	6,725	13,449	60,521	403,475	215,187	699,357
Trade and other payables	2,180,855	217,660	379,665	-	-	2,778,180
Total financial liabilities	2,213,732	383,972	1,249,775	6,462,351	1,790,522	12,100,352

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Financial liabilities cash flows

	The Company					
	Within 1 month	**1 to 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
			2024			
Borrowings	10,635	373,584	1,043,253	5,761,914	1,416,130	8,605,516
Lease liabilities	14,611	29,222	131,499	504,614	166,885	846,831
Trade and other payables	2,513,146	-	-	-	-	2,513,146
Group companies	30,906	-	-	-	-	30,906
Total financial liabilities	2,569,298	402,806	1,174,752	6,266,528	1,583,015	11,996,399
			2023			
Borrowings	26,152	152,863	809,589	6,058,876	1,573,883	8,621,363
Lease liabilities	13,464	27,182	81,861	403,475	215,187	741,169
Trade and other payables	2,055,493	217,660	379,665	-	-	2,652,818
Group companies	30,895	-	-	-	-	30,895
Total financial liabilities	2,126,004	397,705	1,271,115	6,462,351	1,789,070	12,046,245

3. Financial Risk Management (Continued)

(c) Market risk

The Group takes on exposure to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly arises from changes in foreign currency exchange rates, interest rates and equity price.

There has been no change to the Group's exposure to market risk or the manner in which it manages and measures the risk.

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is primarily exposed to such risks arising from its significant level of short term investments.

The Group 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. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentrations of currency risk

The table below summarises the Group and company exposure to foreign currency exchange rate risk at 31 December.

	The Group		
	Jamaican$ J$'000	**US$ J$'000**	**Total J$'000**
		2024	
Financial Assets			
Financial assets at fair value through other comprehensive income	502,431	-	502,431
Short term investments	3,418,647	7,184,827	10,603,474
Trade and other receivables	199,744	720,388	920,132
Cash and bank	747,108	528,535	1,275,643
Total financial assets	4,867,930	8,433,750	13,301,680
Financial Liabilities			
Borrowings	7,301,940	-	7,301,940
Lease liabilities	-	556,978	556,978
Trade and other payables	2,553,908	131,134	2,685,042
Total financial liabilities	9,855,848	688,112	10,543,960
Net financial position	(4,987,918)	7,745,638	2,757,720

	The Group		
	Jamaican$ J$'000	**US$ J$'000**	**Total J$'000**
		2023	
Financial Assets			
Financial assets at fair value through other comprehensive income	449,617	-	449,617
Short term investments	4,001,030	7,160,639	11,161,669
Trade and other receivables	228,102	635,191	863,293
Cash and bank	679,588	243,892	923,480
Total financial assets	5,358,337	8,039,722	13,398,059
Financial Liabilities			
Borrowings	7,175,984	-	7,175,984
Lease liabilities	-	500,714	500,714
Trade and other payables	2,612,488	165,692	2,778,180
Total financial liabilities	9,788,472	666,406	10,454,878
Net financial position	(4,430,135)	7,373,316	2,943,181

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

	The Company		
	Jamaican$ J$'000	**US$ J$'000**	**Total J$'000**
		2024	
Financial Assets			
Financial assets at fair value through other comprehensive income	335,634	-	335,634
Group companies- non- current	473,010	-	473,010
Short term investments	2,273,250	5,495,762	7,769,012
Trade and other receivables	80,173	548,947	629,120
Group companies	65,589	-	65,589
Cash and bank	438,381	314,016	752,397
Total financial assets	3,666,037	6,358,725	10,024,762
Financial Liabilities			
Borrowings	7,300,488	-	7,300,488
Lease liabilities	-	663,823	663,823
Trade and other payables	2,422,011	91,135	2,513,146
Group companies	30,906	-	30,906
Total financial liabilities	9,753,405	754,958	10,508,363
Net financial position	(6,087,368)	5,603,767	(483,601)

	The Company		
	Jamaican$ J$'000	**US$ J$'000**	**Total J$'000**
		2023	
Financial Assets			
Financial assets at fair value through other comprehensive income	300,353	-	300,353
Group companies- non- current	474,197	-	474,197
Short term investments	3,287,706	5,911,481	9,199,187
Trade and other receivables	117,986	449,668	567,654
Group companies	142,896	-	142,896
Cash and bank	408,011	87,289	495,300
Total financial assets	4,731,149	6,448,438	11,179,587
Financial Liabilities			
Borrowings	7,174,532	-	7,174,532
Lease liabilities	-	536,560	536,560
Trade and other payables	2,507,948	144,870	2,652,818
Group companies	30,895	-	30,895
Total financial liabilities	9,713,375	681,430	10,394,805
Net financial position	(4,982,226)	5,767,008	784,782

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Foreign currency sensitivity

The following tables indicate the currency to which the Group and 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 adjusts their translation at the year-end for a 1% (2023: 1%) appreciation and a 4% (2023: 4%) depreciation change in foreign currency rates. The sensitivity of the profit was primarily because of foreign exchange gains/losses on translation of US dollar-denominated trade receivables, short term investments and US dollar-denominated liabilities. Profit is more sensitive to movements in Jamaican dollar/US dollar exchange rates because of the significant level of US-dollar denominated investments. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variables, sensitivity for variables had to be on an individual basis. There is no direct impact on other comprehensive income or equity.

	Change in Currency 2024 %	Effect on Profit before Taxation 2024 $'000	Change in Currency Rate 2023 %	Effect on Profit before Taxation 2023 $'000
		The Group		
Currency:				
USD	-1	(77,456)	-1	(73,733)
USD	+4	309,824	+4	294,933
		The Company		
Currency:				
USD	-1	(56,037)	-1	(57,670)
USD	+4	224,148	+4	230,680

(ii) 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 Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and liabilities.

The following tables summarise the Group's and the company's exposure to interest rate risk. It includes the Group and company financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Group						
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
				2024			
Assets							
Financial assets at fair value through other comprehensive income	-	-	-	-	-	502,431	502,431
Short term investments	4,872,946	5,695,034	-	-	-	35,494	10,603,474
Trade and other receivables	-	-	-	-	-	920,132	920,132
Cash and bank	643,384	-	-	-	-	632,259	1,275,643
Total financial assets	5,516,330	5,695,034	-	-	-	2,090,316	13,301,680
Liabilities							
Borrowings	-	-	162,000	4,192,008	2,945,000	2,932	7,301,940
Lease liabilities	-	-	-	-	556,978	-	556,978
Trade and other payables	-	-	-	-	-	2,685,042	2,685,042
Total financial liabilities	-	-	162,000	4,192,008	3,501,978	2,687,974	10,543,960
Total interest repricing gap	5,516,330	5,695,034	(162,000)	(4,192,008)	(3,501,978)	(597,658)	2,757,720
Cumulative interest repricing gap	5,516,330	11,211,364	11,049,364	6,857,356	3,355,378	2,757,720	

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	Group						
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
				2023			
Assets							
Financial assets at fair value through other comprehensive income	-	-	-	-	-	449,617	449,617
Short term investments	7,085,512	4,036,174	-	-	-	39,983	11,161,669
Trade and other receivables	-	-	-	-	-	863,293	863,293
Cash and bank	358,843	-	-	-	-	564,637	923,480
Total financial assets	7,444,355	4,036,174	-	-	-	1,917,530	13,398,059
Liabilities							
Borrowings	22,815	-	48,375	981,862	6,120,000	2,932	7,175,984
Lease liabilities	-	-	-	447,469	53,245	-	500,714
Trade and other payables	-	-	-	-	-	2,778,180	2,778,180
Total financial liabilities	22,815	-	48,375	1,429,331	6,173,245	2,781,112	10,454,878
Total interest repricing gap	7,421,540	4,036,174	(48,375)	(1,429,331)	(6,173,245)	(863,582)	2,943,181
Cumulative interest repricing gap	7,421,540	11,457,714	11,409,339	9,980,008	3,806,763	2,943,181	

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company						
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
				2024			
Assets							
Financial assets at fair value through other comprehensive income	-	-	-	-	-	335,634	335,634
Group companies- Non current	-	-	-	473,010	-	-	473,010
Short term investment	4,341,313	3,403,211	-	-	-	24,488	7,769,012
Trade and other receivables	-	-	-	-	-	629,120	629,120
Group companies	-	-	-	-	-	65,589	65,589
Cash and bank	428,846	-	-	-	-	323,551	752,397
Total financial assets	4,770,159	3,403,211	-	473,010	-	1,378,382	10,024,762
Liabilities							
Borrowings	-	-	162,000	4,192,008	2,945,000	1,480	7,300,488
Lease liabilities	-	-	-	-	663,823	-	663,823
Trade and other payables	-	-	-	-	-	2,513,146	2,513,146
Group companies	-	-	-	-	-	30,906	30,906
Total financial liabilities	-	-	162,000	4,192,008	3,608,823	2,545,532	10,508,363
Total interest repricing gap	4,770,159	3,403,211	(162,000)	(3,718,998)	(3,608,823)	(1,167,150)	(483,601)
Cumulative interest repricing gap	4,770,159	8,173,370	8,011,370	4,292,372	683,549	(483,601)	

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company						
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
				2023			
Assets							
Financial assets at fair value through other comprehensive income	-	-	-	-	-	300,353	300,353
Group companies- Non current	-	-	-	474,197	-	-	474,197
Short term investment	6,724,234	2,445,017	-	-	-	29,936	9,199,187
Trade and other receivables	-	-	-	-	-	567,654	567,654
Group companies	-	-	-	-	-	142,896	142,896
Cash and bank	202,142	-	-	-	-	293,158	495,300
Total financial assets	6,926,376	2,445,017	-	474,197	-	1,333,997	11,179,587
Liabilities							
Borrowings	22,815	-	48,375	981,862	6,120,000	1,480	7,174,532
Lease liabilities	-	-	-	483,315	53,245	-	536,560
Trade and other payables	-	-	-	-	-	2,652,818	2,652,818
Group companies	-	-	-	-		30,895	30,895
Total financial liabilities	22,815	-	48,375	1,465,177	6,173,245	2,685,193	10,394,805
Total interest repricing gap	6,903,561	2,445,017	(48,375)	(990,980)	(6,173,245)	(1,351,196)	784,782
Cumulative interest repricing gap	6,903,561	9,348,578	9,300,203	8,309,223	2,135,978	784,782	

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

Interest rate sensitivity

The following table indicates the sensitivity to a possible change in interest rates on profit before taxation, with all other variables held constant.

Change in basis points				The Group		The Company	
2024 JMD	2024 USD	2023 JMD	2023 USD	Effect on Profit before Taxation 2024 $'000	Effect on Profit before Taxation 2023 $'000	Effect on Profit before Taxation 2024 $'000	Effect on Profit before Taxation 2023 $'000
+25	+25	+25	+25	6,894	7,358	(1,209)	1,962
-50	-50	-25	-25	(13,789)	(7,358)	2,418	(1,962)

The Group's interest rate risk arises mainly from short term deposits and borrowings. The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on net income based on floating rate deposits and borrowings.

(iii) Other price risk

The Group is exposed to price risk on its unquoted FVOCI equity investment.

A 6% (2023: 6%) increase or 2% (2023:3%) decrease in the price at the reporting date would cause an increase or decrease in total comprehensive income of $30,144,000 (2023: $26,977,000) and $10,050,000 (2023: $13,489,000) for the Group, and $20,138,000 (2023: $18,021,000) and $6,713,000 (2023: $9,010,000) for the company.

(d) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders, to effectively service its customers and to maintain an optimal capital structure to reduce the cost of capital as well as meet externally imposed capital requirements. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total stockholders' equity and non-controlling interests. The Board of Directors also monitors the level of dividends to ordinary equity holders.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debt divided by total stockholders' equity. Debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less bank overdraft and interest payable. Total stockholders' equity is calculated as capital and reserves attributable to company's equity holders as shown in the consolidated statement of financial position.

3. Financial Risk Management (Continued)

(d) Capital management (continued)

During 2024, the Group's strategy, which was unchanged from 2023, was to maintain the gearing ratio no higher than 75%. The gearing ratios at 31 December 2024 and 2023 were as follows:

	2024 $'000	2023 $'000
Total long-term borrowings (Note 29)	7,301,940	7,175,984
Total stockholders' equity	47,433,911	46,077,041
Gearing ratio (%)	15.4%	15.6%

There were no changes to the Group's approach to capital management during the year.

(e) Fair value of financial instruments

In assessing the fair value of financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at the statement of financial position date. The estimated fair values have been determined using available market information and appropriate valuation methodologies. However, considerable judgement is necessarily required in interpreting market data to develop estimates of fair value.

Financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable. At the reporting date, the Group and company had only Level 3 financial instruments which are defined as:

- those with fair value measurements that are derived from inputs that are not based on observable market data (that is, unobservable inputs).

At 31 December 2024, instruments included within this level comprised unquoted equities classified as financial assets at fair value through other comprehensive income which totaled $502,431,000 and $335,634,000 for the Group and company, respectively. There were no transfers between levels in 2024 and 2023.

The following methods and assumptions have been used in determining fair values for instruments not re-measured at fair value after initial recognition

(i) The carrying values less any impairment provision of financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values due to the short-term maturity of these instruments. These financial assets and liabilities are cash and bank balances, trade and other accounts receivables, trade and other accounts payables, related companies balances and short term investments.

(ii) The carrying value of other financial assets (long term loans receivable) closely approximate amortised cost, which is estimated to be their fair value as they attract terms and conditions available in the market for similar transactions and are repayable after one year.

(iii) The fair value for borrowings is estimated considering the net present value calculated using discount rates derived from yields of securities with similar maturity and credit ratings. At December 31, the fair value of borrowings was $6,499,000,000 (2023: $6,003,031,000) for the Group and $6,498,000,000 (2023: $6,001,693,000) for the company.

4. Critical Accounting Estimates and Assumptions in Applying Accounting Policies

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Depreciable assets

Estimates of the useful life and residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Group applies a variety of methods including the use of certified independent valuators in an effort to arrive at these estimates. Any changes in estimates of residual value will directly impact the depreciation charge.

Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and valuation inputs and make assumptions that are mainly based on market conditions existing at each statement of financial position date. The Group uses discounted cash flow analyses and references to prices for other instruments that are substantially the same for various financial assets at FVOCI that were not traded in active markets. Details of investment securities valued using other than quoted prices in an active market are provided in Note 3(e) of the financial statements.

Pension and other retirement benefits

The cost of these benefits and the present value of the pension and the other post-employment liabilities depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net periodic cost (income) for pension and post-employment benefits include the expected long-term rate of return on the relevant plan assets, the discount rate and in the case of the post- employment medical benefits, the expected rate of increase in medical costs. Any changes in these assumptions will impact the net periodic cost (income) recorded for pension and other post-employment benefits and may affect planned funding of the pension plans. The expected return on plan assets assumption is determined on a uniform basis, considering long-term historical returns, asset allocation and future estimates of long-term investment returns. The Group determines the appropriate discount rate at the end of each year, which represents the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension and other post-employment benefit obligations. In determining the appropriate discount rate, the Group considered interest rate of high-quality sovereign bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. The expected rate of increase of medical costs has been determined by comparing the historical relationship of actual medical cost increases with the rate of inflation in the economy. Past experience has shown that the actual medical costs have increased on average by one times the rate of inflation. Other key assumptions for the pension and other post-employment benefit costs and credits are based in part on current market conditions.

Sensitivity analyses for key inputs into the pension and other retirement benefits calculations are detailed in Note 21.

5. Segment Financial Information

The Chief Executive Officer is the Group's chief operating decision maker (CODM). Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance. The Group is organised into the following business segments:

(a) Terminal Operations - Operation of public wharves and stevedoring of vessels.

(b) Logistics Services - Operation of warehousing and logistics facilities, security services, rental of ambient warehouses, cold storage facilities and property rental.

Transactions between the business segments are on normal commercial terms and conditions. The Group derives revenue from the transfer of services at a point in time in the below major operating segments.

The Group's operations are located at Newport West, Kingston, Jamaica

	Terminal Operation Group $'000	Logistics Services $'000	Elimination $'000	$'000
Year ended 31 December 2024				
External operating revenue	6,791,010	3,922,497	-	10,713,507
Operating revenue from segments	941,907	276,885	(1,218,792)	-
Total revenue	7,732,917	4,199,382	(1,218,792)	10,713,507
Operating profit	2,136,283	1,376,228	-	3,512,511
Finance costs (Note 9)	(330,887)	(208,077)	212,183	(326,781)
Profit before tax	1,805,396	1,168,151	212,183	3,185,730
Tax expense				(457,399)
Profit before non- controlling interest				2,728,331
Non- controlling interest				(118,448)
Net profit attributable to equity holders of the company				2,609,883
Segment assets	38,322,388	21,449,911	(1,191,483)	58,580,816
Unallocated assets				2,049,946
Total assets				60,630,762
Segment liabilities	7,427,108	4,368,271	(1,252,362)	10,543,017
Unallocated liabilities				2,144,387
Total liabilities				12,687,404
Other segments items:				
Interest income (Note 8)	573,155	115,378	(88,486)	600,047
Capital expenditures (Note 15)	723,379	1,881,947	-	2,605,326
Amortisation (Note 18)	17,986	318	-	18,304
Depreciation (Note 6)	881,202	404,688	(70,496)	1,215,394

5. Segment Financial Information (Continued)

	Terminal Operation Group $'000	Logistics Services $'000	Elimination $'000	$'000
Year ended 31 December 2023				
External operating revenue	6,316,198	3,394,591	-	9,710,789
Operating revenue from segments	676,617	257,976	(934,593)	-
Total revenue	6,992,815	3,652,567	(934,593)	9,710,789
Operating profit	2,625,472	1,347,473	-	3,972,945
Finance costs (Note 9)	(156,184)	(96,883)	63,294	(189,773)
Profit before tax	2,469,288	1,250,590	63,294	3,783,172
Tax expense				(591,602)
Profit before non- controlling interest				3,191,570
Non- controlling interest				(75,502)
Net profit attributable to equity holders of the company				3,116,068
Segment assets	42,524,421	16,089,454	(1,244,634)	57,369,241
Unallocated assets				1,713,142
Total assets				59,082,383
Segment liabilities	6,882,555	4,688,097	(1,115,776)	10,454,876
Unallocated liabilities				2,159,467
Total liabilities				12,614,343
Other segments items:				
Interest income (Note 8)	507,445	85,343	(37,541)	555,247
Capital expenditures (Note 15)	2,969,299	2,805,567	-	5,774,866
Amortisation (Note 18)	20,051	319	-	20,370
Depreciation (Note 6)	499,009	275,510	(70,038)	704,481

Revenues of approximately $2,812,321,000 (2023: $2,489,241,000) were earned from two customers. The revenues are attributable to the Terminal Operations segment.

6. Expenses by Nature

Total direct and administration expenses:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Advertising and public relations	58,987	55,266	58,287	54,559
Amortisation of intangible assets (Note 18)	18,304	20,370	17,870	19,935
Auditors' remuneration	23,356	20,843	13,649	12,408
Bank charges	76,601	74,984	75,597	74,049
Customs overtime	109,154	105,566	109,154	105,566
Depreciation	1,215,394	704,481	1,012,050	595,121
Directors' fees	28,532	28,532	27,132	27,132
Equipment rental	265,919	181,209	257,587	175,336
Fuel	251,381	272,555	250,214	272,555
Information technology	164,764	111,374	159,750	109,713
Insurance	333,288	270,185	276,277	227,792
Legal and consultation expenses	38,829	61,952	34,972	39,524
Repairs and maintenance	644,697	608,623	633,848	598,828
Security	723,100	590,815	139,205	107,632
Staff costs (Note 7)	2,935,646	2,640,086	2,314,096	2,137,379
Utilities	366,571	364,319	346,386	345,043
Other	595,046	412,016	588,645	434,341
	7,849,569	6,523,176	6,314,719	5,336,913

7. Staff Costs

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Wages and salaries	2,271,758	1,967,618	1,808,983	1,624,923
Payroll taxes - employer's contributions	336,232	294,972	209,540	180,136
Pension costs – defined benefit plan (Note 21)	(76,158)	(37,212)	(76,158)	(37,212)
Pension costs – defined contribution plan	14,672	11,587	-	-
Other retirement benefits (Note 21)	53,607	45,569	53,607	45,569
Meal and travelling allowances	88,234	81,958	74,206	73,538
Other	247,301	275,594	243,918	250,425
	2,935,646	2,640,086	2,314,096	2,137,379

8. Other Operating Income

	The Group		The Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Dividends	2,932	2,631	1,953	1,758
Interest	600,047	555,247	512,312	479,525
Foreign exchange gains	44,865	210,148	41,950	186,449
Management fees	-	-	111,396	101,680
Gain on disposal of property, plant and equipment	276	5,778	276	5,778
Other	453	11,528	-	10,788
	648,573	785,332	667,887	785,978

9. Finance Costs

	The Group		The Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Interest expense	224,378	109,354	228,622	108,915
Foreign exchange (gains)/losses	102,403	80,419	120,301	85,684
	326,781	189,773	348,923	194,599

10. Tax Expense

	The Group		The Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Current tax on profit for the year	443,672	575,447	315,324	471,401
Prior year over provision	(63,417)	-	(67,650)	-
Deferred income tax (Note 30)	77,144	16,155	105,068	26,970
	457,399	591,602	352,742	498,371

10. Tax Expense (Continued)

The tax on profit differs from the theoretical amount that would arise using a basic statutory rate of 12.5% (2023: 12.5%) as follows:

	The Group		The Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Profit before tax	3,185,730	3,783,172	2,339,524	3,093,343
Tax calculated at a tax rate of 12.5%	398,216	472,897	292,441	386,668
Adjusted for the effects of:				
Income not subject to tax	(62,754)	(36,635)	(23,930)	(22,406)
Income tax at higher rate	94,296	129,883	67,571	110,171
Employment tax credit	(40,530)	(76,416)	(40,530)	(76,416)
Employment tax credit clawback	98,683	71,264	98,683	71,264
Expenses not deductible for tax purposes	47,490	31,442	42,158	26,872
Prior year over provision	(63,417)	-	(67,650)	-
Promotional tax credit	(13,559)	-	(13,559)	-
Other	(1,026)	(833)	(2,442)	2,218
	457,399	591,602	352,742	498,371

The Company was granted approval to operate as an approved developer under the Special Economic Zone Act (SEZA) on 1 January 2020 thereby ending the variable tax rate regime which existed under the Jamaica Export Free Zones Act. Under the SEZA, a corporate income tax rate of 12.5% on qualifying income is now applicable and is used to determine future tax rates (Note 30).

Some subsidiaries within the Group were also granted approval as developer and occupants under the SEZA in 2020. The applicable tax rate for these subsidiaries is 12.5%. Other subsidiaries within the Group but not operating under the SEZA have an applicable tax rate of 25%.

11. Profit Attributable to Equity Holders of the Company

	2024 $'000	**2023 $'000**
(a) Net profit is dealt with as follows in the financial statements of:		
Holding company	1,986,782	2,594,972
Subsidiaries	623,101	521,096
	2,609,883	3,116,068
(b) Retained earnings are dealt with as follows in the financial statements of:		
Holding company	17,918,746	16,754,416
Subsidiaries	1,460,332	838,129
	19,379,078	17,592,545

12. Non-Controlling Interest

	2024 $'000	2023 $'000
NCI percentage for Security Administrators Limited	33⅓ %	33⅓ %

	2024 $'000	2023 $'000
At beginning of year	390,999	315,497
Share of net profit of subsidiary	118,448	75,502
	509,447	390,999
Non-current assets	21,981	19,207
Current assets	1,685,163	1,269,239
Current liabilities	(172,818)	(110,419)
Net assets	1,534,326	1,178,027
Carrying amount of NCI	509,447	390,999
Revenue	1,650,391	1,334,078
Profit for the year, being total comprehensive income	355,348	226,508
Profit allocated to NCI	118,448	75,502
Cash flows from operating activities	381,671	139,568
Cash flows from investment activities	44,871	41,970
Cash flow from financing activities	(83)	5,987
Net increase in cash and cash equivalents	426,459	187,525

13. Earnings Per Stock Unit

The calculation of basic earnings per stock unit (EPS) is based on the net profit attributable to equity holders and the weighted average number of stock units in issue during the year, excluding ordinary stock units purchased by the Group and held as treasury stock.

	2024 $'000	2023 $'000
Net profit attributable to equity holders of the company ($'000)	2,609,883	3,116,068
Weighted average number of ordinary stock units in issue (thousands)	1,400,390	1,418,807
Basic/diluted earnings per stock unit	1.86	2.20

14. Dividends

During the year, the company declared dividends to equity holders on record as follows.

	2024 $'000	2023 $'000
Ordinary dividends, gross - 68 cents (68 cents)	972,536	972,536

In December 2024, the company declared a dividend of 42 cents per share payable on 16 January 2025 to shareholders on record at 24 December 2024, and which is included in the total dividends above.

15. Property, Plant and Equipment

	The Group							
	Freehold Land $'000	Plant and Buildings $'000	Machinery and Equipment $'000	Cold Room and Refrigeration Equipment $'000	Furniture and fixtures $'000	Motor vehicles $'000	Work in progress $'000	Total $'000
					2024			
Cost or valuation-								
At 31 December 2023	16,702,361	26,336,458	4,509,757	268,007	382,733	433,851	7,509,549	56,142,716
Additions	-	29,739	26,657	2,652	7,941	16,346	2,521,991	2,605,326
Transfers	335,694	4,529,614	336,563	-	4,823	16,068	(5,222,762)	-
Disposals	-	-	(30)	-	(597)	(7,807)	-	(8,434)
At 31 December 2024	17,038,055	30,895,811	4,872,947	270,659	394,900	458,458	4,808,778	58,739,608
Depreciation								
At 31 December 2023	-	10,888,780	2,193,311	267,500	260,421	279,664	-	13,889,676
Charge for the year	-	887,368	215,962	87	22,179	32,471	-	1,158,067
Relieved on disposals	-	-	(26)	-	(379)	(7,799)	-	(8,204)
At 31 December 2024	-	11,776,148	2,409,247	267,587	282,221	304,336	-	15,039,539
Net Book value								
At 31 December 2024	17,038,055	19,119,663	2,463,700	3,072	112,679	154,122	4,808,778	43,700,069

15. Property, Plant and Equipment (Continued)

	The Group							
	Freehold Land $'000	Plant and Buildings $'000	Machinery and Equipment $'000	Cold Room and Refrigeration Equipment $'000	Furniture and fixtures $'000	Motor vehicles $'000	Work in progress $'000	Total $'000
					2023			
Cost or valuation-								
At 31 December 2022	10,755,769	23,228,440	4,465,193	268,007	361,757	351,214	2,638,628	42,069,008
Additions	4,365	-	17,583	-	19,836	50,075	5,683,007	5,774,866
Transfers	341,398	373,769	26,981	-	1,140	46,291	(796,629)	(7,050)
Transfers to intangibles assets							(15,457)	(15,457)
Revaluation	5,600,829	2,819,015	-	-	-	-	-	8,419,844
Disposals	-	(84,766)	-	-	-	(13,729)	-	(98,495)
At 31 December 2023	16,702,361	26,336,458	4,509,757	268,007	382,733	433,851	7,509,549	56,142,716
Depreciation								
At 31 December 2022	-	10,019,654	1,981,868	267,460	239,041	261,395	-	12,769,418
Charge for the year	-	392,829	211,443	40	21,380	31,998	-	657,690
Revaluation		524,213	-	-	-	-	-	524,213
Relieved on disposals	-	(47,916)	-	-	-	(13,729)	-	(61,645)
At 31 December 2023	-	10,888,780	2,193,311	267,500	260,421	279,664	-	13,889,676
Net Book value								
At 31 December 2023	16,702,361	15,447,678	2,316,446	507	122,312	154,187	7,509,549	42,253,040

15. Property, Plant and Equipment (Continued)

	The Company							
	Freehold Land $'000	Plant and Buildings $'000	Machinery and Equipment $'000	Cold Room and Refrigeration Equipment $'000	Furniture and fixtures $'000	Motor vehicles $'000	Work in progress $'000	To $'0
					2024			
Cost or valuation-								
At 31 December 2023	10,922,555	18,860,971	4,464,863	19,740	367,482	405,669	7,507,899	42,549,1
Additions	-	29,739	23,240	2,652	7,741	6,130	2,521,991	2,591,4
Transfers	335,694	4,529,614	336,563	-	4,823	16,068	(5,222,762)	
Disposals	-	-	-	-	(597)	(7,807)	-	(8,4
At 31 December 2024	11,258,249	23,420,324	4,824,666	22,392	379,449	420,060	4,807,128	45,132,2
Depreciation-								
At 31 December 2023	-	6,393,787	2,143,267	19,051	245,627	260,909	-	9,062,6
Charge for the year	-	628,521	212,890	87	22,055	28,592	-	892,1
Relieved on disposals	-	-	-	-	(379)	(7,801)	-	(8,1
At 31 December 2024	-	7,022,308	2,356,157	19,138	267,303	281,700	-	9,946,6
Net Book value-								
At 31 December 2024	11,258,249	16,398,016	2,468,509	3,254	112,146	138,360	4,807,128	35,185,6

15. Property, Plant and Equipment (Continued)

	The Company							
	Freehold Land $'000	Plant and Buildings $'000	Machinery and Equipment $'000	Cold Room and Refrigeration Equipment $'000	Furniture and fixtures $'000	Motor vehicles $'000	Work in progress $'000	To $'0
					2023			
Cost or valuation-								
At 31 December 2022	7,080,294	16,670,940	4,423,290	19,740	346,579	323,032	2,636,978	31,500,8
Additions	-	-	14,592	-	19,763	50,075	5,683,007	5,767,4
Transfers	328,297	373,769	26,981	-	1,140	46,291	(796,629)	(20,1
Transfers to intangibles assets	-	-	-	-	-	-	(15,457)	(15,4
Revaluation	3,513,964	1,816,262	-	-	-	-	-	5,330,2
Disposals	-	-	-	-	-	(13,729)	-	(13,7
At 31 December 2023	10,922,555	18,860,971	4,464,863	19,740	367,482	405,669	7,507,899	42,549,1
Depreciation-								
At 31 December 2022	-	6,101,389	1,934,384	19,011	224,374	246,131	-	8,525,2
Charge for the year	-	225,371	208,883	40	21,253	28,507	-	484,0
Revaluation	-	67,027	-	-	-	-	-	67,0
Relieved on disposals	-	-	-	-	-	(13,729)	-	(13,7
At 31 December 2023	-	6,393,787	2,143,267	19,051	245,627	260,909	-	9,062,6
Net Book value-								
At 31 December 2023	10,922,555	12,467,184	2,321,596	689	121,855	144,760	7,507,899	33,486,5

15. Property, Plant and Equipment (Continued)

(a) Freehold land of the Group was revalued as at 31 December 2023 on the basis of open market value by D.C. Tavares and Finson Realty Limited, independent qualified valuators. The freehold plant and buildings of the Group were also revalued as at 31 December 2023 on the depreciated replacement cost basis which approximates fair value, by NAI Jamaica Langford and Brown, quantity surveyors and construction cost consultants. The carrying value of these assets was adjusted upwards and the resultant increase in value net of deferred income taxes has been recognised in capital reserves (Note 27).

The property, plant and equipment that, subsequent to initial recognition, are measured at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable. The levels are as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The items of property, plant and equipment of the Group and the company shown at revalued amounts are included in Level 3. Freehold Land was transferred from Level 2 to Level 3 during 2023. The following tables disclose the Group and company's non-financial assets carried at fair value:

15. Property, Plant and Equipment (Continued)

Categories	Date of revaluation	Fair value measurements as at 31 December 2024 using Quoted price in an active market	Significant other observable inputs (Level 2) $'000	Significant unobservable inputs (Level 3) $'000
The Group				
Freehold Land	Dec-23	-	-	17,038,055
Plant and Buildings	Dec-23	-	-	19,119,663
Total		-	-	36,157,718
The Company				
Freehold Land	Dec-23	-	-	11,258,249
Plant and Buildings	Dec-23	-	-	16,398,016
Total		-	-	27,656,265

Categories	Date of revaluation	Fair value measurements as at 31 December 2023 using Quoted price in an active market	Significant other observable inputs (Level 2) $'000	Significant unobservable inputs (Level 3) $'000
The Group				
Freehold Land	Dec-23	-	-	16,702,361
Plant and Buildings	Dec-23	-	-	15,447,678
Total		-	-	32,150,039
The Company				
Freehold Land	Dec-23	-	-	10,922,555
Plant and Buildings	Dec-23	-	-	12,467,184
Total		-	-	23,389,739

15. Property, Plant and Equipment (Continued)

(a) (continued)

Level 3 fair values of land have been derived using the sales comparison approach and are comparable to sales of properties in close proximity and are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot. The company's management regularly assesses the reliability of inputs and adjusts valuation methodologies as necessary to reflect current market conditions. While the fair value of land assets is subject to estimation uncertainty, the management believes that the valuation techniques applied provide a reasonable approximation of the assets' fair value.

The valuation techniques for Level 3 fair values of plant and buildings are disclosed in the tables below. The valuation technique for Level 3 uses the current construction replacement cost (depreciable replacement cost) approach of the assets based on current rates for labour, material and contractors' charges. It is also based on the location, age and condition of the plant and buildings.

Fair Value Measurements using significant unobservable inputs (Level 3)

	Group Freehold land	
	$'000 2024	**$'000 2023**
Opening balance at valuation	16,702,361	-
Transfer between levels	-	10,755,769
Transfer in	335,694	341,398
Additions	-	4,365
Revaluation adjustment	-	5,600,829
Closing balance	17,038,055	16,702,361

	Group Plant & Buildings	
	$'000 2024	**$'000 2023**
Opening balance at valuation	15,447,678	13,208,786
Additions/transfer in	4,559,353	373,769
Revaluation Adjustment to accumulated depreciation	-	2,294,802
Disposals net of accumulated depreciation	-	(36,850)
Depreciation through profit or loss	(887,368)	(392,829)
Closing balance	19,119,663	15,447,678

15. Property, Plant and Equipment (Continued)

(a) (continued)

Fair Value Measurements using significant unobservable inputs (Level 3)

	Company Freehold land	
	$'000 2024	$'000 2023
Opening balance at valuation	10,922,555	-
Transfer between levels	-	7,080,294
Transfer in	335,694	-
Additions	-	328,297
Revaluation adjustment	-	3,513,964
Closing balance	11,258,249	10,922,555

	Company Plant & Buildings	
	$'000 2024	$'000 2023
Opening balance at valuation	12,467,184	10,569,551
Additions/transfer in	4,559,353	373,769
Revaluation Adjustment to accumulated depreciation	-	1,749,235
Disposals net of accumulated depreciation	-	-
Depreciation through profit or loss	(628,521)	(225,371)
Closing balance	16,398,016	12,467,184

15. Property, Plant and Equipment (Continued)

(a) (continued)

		The Group			
	Fair value at 31 December 2023 $'000	**Valuation technique(s)**	**Unobservable inputs**	**Range of unobservable inputs (probability – weighted average)**	**Relationship of unobservable inputs to fair value 2023**
Description					
Freehold land	16,702,361	Market value	Cost per square Foot	None noted	The higher the cost per square foot the higher the market value

		The Company			
	Fair value at 31 December 2023 $'000	**Valuation technique(s)**	**Unobservable inputs**	**Range of unobservable inputs (probability – weighted average)**	**Relationship of unobservable inputs to fair value 2023**
Description					
Freehold land	10,922,555	Market value	Cost per square Foot	None noted	The higher the cost per square foot the higher the market value

15. Property, Plant and Equipment (Continued)

(a) (continued)

		The Group			
	Fair value at 31 December 2023 $'000	**Valuation technique(s)**	**Unobservable inputs**	**Range of unobservable inputs (probability – weighted average)**	**Relationship of unobservable inputs to fair value 2023**
Description					
Plant and Building	15,447,678	Depreciable Replacement Cost method	Labour, material and contractor's charges	None noted	The higher the cost of labour, material and contractors' charges, the higher the replacement cost
			Remaining useful lives	1 year	If the estimates for the useful lives of the assets were higher or lower by one year, the value would be lower by $76,623,000 and higher by $97,216,000.

15. Property, Plant and Equipment (continued)

(a) (continued)

		The Company			
	Fair value at 31 December 2023 $'000	**Valuation technique(s)**	**Unobservable inputs**	**Range of unobservable inputs (probability – weighted average)**	**Relationship of unobservable inputs to fair value 2023**
Plant and Building	12,467,184	Depreciable Replacement Cost method	Labour, material and contractor's charges	None noted	The higher the cost of labour, material and contractors' charges, the higher the replacement cost
			Remaining useful lives	1 year	If the estimates for the useful lives of the assets were higher or lower by one year, the value would be lower by $58,899,000 and higher by $48,652,000.

(b) A fixed charge totalling US$26.6 million has been placed over the property, plant and equipment of the company, promissory notes stamped in the sums of $4.1 billion as well as mortgages totalling $ 5.2billion over certain premises and equipment owned by the company in keeping with the terms of certain loan agreements (Note 29).

(c) The disposal of items of property, plant and equipment in 2023 mainly comprise the demolition of a warehouse.

(d) If freehold land, plant and buildings were stated on the historical cost basis, the amounts would be as follows

	The Group		The Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Cost	14,193,115	10,037,269	13,794,740	9,638,894
Accumulated depreciation	(1,911,770)	(2,435,984)	(1,668,383)	(1,735,413)
Net book value	12,281,345	7,601,285	12,126,357	7,903,481

16. Leases

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 32.

(b) *Amounts recognised in the statement of financial position*

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Right- of-use assets				
Land and buildings	378,805	428,215	490,274	468,184
Lease liabilities				
Current	56,452	43,141	91,878	78,987
Non-current	500,526	457,573	571,945	457,573
	556,978	500,714	663,823	536,560

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to right-of-use assets:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Depreciation charge of right- of-use assets				
Land and buildings	49,409	43,963	119,905	111,067
Interest expense (included in finance costs, Note 9)	37,554	16,189	41,798	19,176
	86,963	60,152	161,703	130,243

The total cash outflow for leases for the Group and Company respectively was $98,528,000 (2023: $60,530,000) and $175,484,000 (2023: $140,363,000).

17. Investment Property

	The Group		
	Land J$'000	Plant and building J$'000	Total J $'000
Cost			
At 31 December 2022, At 31 December 2023 and at 31 December 2024	250,000	320,000	570,000
Accumulated depreciation-			
At 31 December 2022	-	25,135	25,135
Charge for the year	-	7,918	7,918
At 31 December 2023	-	33,053	33,053
Charge for the year	-	7,918	7,918
At 31 December 2024	-	40,973	40,973
Net Book Value			
31 December 2024	250,000	279,027	529,027
31 December 2023	250,000	286,947	536,947

17. Investment Property (Continued)

The investment property is carried at cost less accumulated depreciation at its acquired value in 2019 of $570,000,000, which was based on open market value by D.C. Tavares and Finson Realty Limited, independent qualified valuators. The fair value of the investment property at 2023 is $1,310,000,000.

Amounts recognised in profit or loss for investment property:

	2024 $'000	2023 $'000
Rental income	112,281	78,200
Depreciation expense	(7,918)	(7,918)

The investment property is leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as shown below:

	2024 $'000	2023 $'000
Receivable as follows:		
Within one year	94,518	112,024
Later than one year but not later than 5 years	-	93,353
	94,518	205,377

18. Intangible Assets

	The Group		
	Computer software $'000	Rights to customer contracts $'000	Total $'000
Cost			
At 31 December 2023, As 31 December 2022	156,607	470,637	627,244
Additions	356	-	356
At 31 December 2024	156,963	470,637	627,600
Amortisation			
At 31 December 2022	96,690	468,875	565,565
Amortisation charge for year	18,628	1,742	20,370
At 31 December 2023	115,318	470,617	585,935
Amortisation charge for year	18,284	20	18,304
At 31 December 2024	133,602	470,637	604,239
Net Book Value			
31 December 2024	23,361	-	23,361
31 December 2023	41,289	20	41,309

18. Intangible Assets (Continued)

	The Company		
	Computer software $'000	Rights to customer contracts $'000	Total $'000
Cost			
At 31 December 2023, As 31 December 2022	152,404	470,637	623,041
Additions	356	-	356
At 31 December 2024	152,760	470,637	623,397
Amortisation			
At 31 December 2022	93,837	468,875	562,712
Amortisation charge for year	18,193	1,742	19,935
At 31 December 2023	112,030	470,617	582,647
Amortisation charge for year	17,870	20	17,890
At 31 December 2024	129,900	470,637	600,537
Net Book Value			
31 December 2024	22,860	-	22,860
31 December 2023	40,374	20	40,394

The amortisation period for the contracts classified as rights to customer contracts are amortised over five – ten years.

The total amortisation charge is included in direct expenses in profit or loss.

19. Investments in Subsidiaries

	The Company	
	2024 $'000	2023 $'000
Harbour Cold Stores Limited	13,335	13,335
Security Administrators Limited	6	6
Western Storage Limited	16,301	16,301
Western Terminals Limited	46,039	46,039
Kingston Terminal Operators Limited	50	50
	75,731	75,731

20. Investments

(a) Classification of financial assets at fair value through other comprehensive income

Investments comprise equity securities which are classified as financial assets at fair value through other comprehensive income and which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant for financial reporting purposes. On disposal of these equity investments, any balances within fair value reserve are reclassified through retained earnings.

The financial assets (FVOCI) are classified as level 3 and are valued using the underlying net assets of the entity and applying a marketability discount. The underlying net assets consists of:

- Quoted equities whose prices are derived from published price quotations in an active market
- Investments properties which are valued by independent valuators
- Other assets and liabilities which are carried at fair value, cost or amortised cost.

(b) Equity investments at fair value through other comprehensive income

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Unquoted equities				
Opening balance	449,617	449,617	300,353	300,353
Fair value movement	52,814	-	35,281	-
	502,431	449,617	335,634	300,353

21. Retirement Benefit Asset and Obligations

	The Group and Company	
	2024 $'000	2023 $'000
Statement of financial position obligations/(asset) for:		
Pension benefits	(1,744,699)	(1,530,336)
Other retirement benefits	313,211	327,717
Profit or loss for (Note 7)		
Pension benefits	(76,158)	(37,212)
Other retirement benefits	53,607	45,569
Remeasurement for:		
Pension benefits	131,531	928,671
Other retirement benefits	54,369	(36,731)
	185,900	891,940

21. Retirement Benefit Asset and Obligations (Continued)

(a) Pension benefits (continued)

The Group has established two pension schemes covering all permanent employees: a defined benefit plan and a defined contribution plan. The assets of the funded plans are held independently of the Group's assets in separate trustee-administered funds

Defined contribution plan

The Group, through a subsidiary, participates in a defined contributory pension scheme which was established in May 2001 and is open to security personnel and administrative personnel contracted to the subsidiary.
The scheme is administered by trustees. The scheme is funded by the employer's contribution of 5% and the members mandatory contribution of 5%. Members may also voluntarily contribute up to an additional 5% of their earnings to the scheme. The total contribution to the scheme during the year was $14,672,000 (2023: $11,834,000).

The plan is valued by independent actuaries triennially to determine the adequacy of funding. The valuation dated 31 December 2021 revealed that the scheme was adequately funded as at that date.

Defined benefit plan
The Group operates a joint contributory defined benefit pension scheme which is fully funded. The scheme is open to all permanent employees of the Group and is administered by trustees. Under the scheme, retirement benefits are based on average salary during the three years preceding retirement. The scheme is funded by employee contributions of 5% and employer contributions of 1% of salary as recommended by independent actuaries. Members may also voluntarily contribute up to an additional 5% of their earnings to the scheme.

The assets of the scheme are held independently of the Group's assets in a separate trustee-administered fund. The scheme is valued by independent actuaries annually using the projected unit credit method. The latest actuarial valuation was carried out as at 31 December 2023 for the purposes of the financial statements.

Additionally, the plan is valued by independent actuaries triennially to determine the adequacy of funding.
The latest such valuation as at 31 December 2023 revealed that the scheme was adequately funded as at that date.

The defined benefit asset amounts recognised in the statement of financial position are determined as follows:

	The Group and Company	
	2024	**2023**
	$'000	**$'000**
Fair value of plan assets	(4,101,358)	(3,801,947)
Present value of funded obligations	2,356,659	2,271,611
Surplus of funded plan/asset in the statement of financial position	(1,744,699)	(1,530,336)

21. Retirement Benefit Asset and Obligations (Continued)

(a) Pension benefits (continued)

Movements in the amounts recognised in the statement of financial position:

	The Group and Company	
	2024	**2023**
	$'000	**$'000**
Asset at beginning of year	(1,530,336)	(558,899)
Current service cost	83,543	38,655
Interest expense, net	(159,701)	(75,867)
Total amount recognised in profit or loss (Note 7)	(76,158)	(37,212)
Remeasurements		
Change in demographic assumptions	-	(44,260)
Change in financial assumptions	444,627	324,632
Experience adjustments	(576,158)	(1,209,043)
Total amount recognized in OCI	(131,531)	(928,671)
Contributions paid	(6,674)	(5,554)
Asset at end of year	(1,744,699)	(1,530,336)

21. Retirement Benefit Asset and Obligations (Continued)

(a) Pension benefits (continued)

The movement in the defined benefit asset recognised in the statement of financial position is as follows:

	The Group and Company	
	2024	**2023**
	$'000	**$'000**
Balance at beginning of year	(3,801,947)	(3,728,121)
Interest income	(403,657)	(481,433)
Re- measurement-		
Return on plans assets, excluding amounts included in interest expense	58,378	356,471
Members' contributions	(58,001)	(45,401)
Employer's contributions	(6,674)	(5,554)
Benefits paid	110,543	102,091
Balance at end of year	(4,101,358)	(3,801,947)

The movement in the present value of the funded obligations over the year is as follows:

	The Group and Company	
	2024	**2023**
	$'000	**$'000**
Balance at beginning of year	2,271,611	1,674,637
Current service cost	83,543	38,655
Interest cost	243,956	211,270
Re- measurement-		
(Gains)/loss from change in experience adjustments	(634,536)	79,107
Loss from change in financial assumptions	444,627	324,632
Members' voluntary contributions	58,001	45,401
Benefits paid	(110,543)	(102,091)
Balance at end of year	2,356,659	2,271,611

21. Retirement Benefit Asset and Obligations (Continued)

(a) Pension benefits (continued)

As at the last valuation date, the present value of the defined benefit obligation was comprised of approximately $1,510,784,000 relating to active employees, $178,472,000 relating to deferred members and $667,403,000 relating to members in retirement.

Plan assets are comprised as follows:

	The Group and Company			
	2024		2023	
	$'000	%	$'000	%
Quoted securities				
Equity securities	1,932,080	47.1	1,753,909	46.1
Fixed Income Instruments	1,616,334	39.4	1,669,622	43.9
Leases	43,135	1.0	30,891	0.8
Real estate	195,014	4.8	123,501	3.2
Other	314,795	7.7	224,024	6.0
	4,101,358	100.0	3,801,947	100.0

The pension plan assets include ordinary stock units of the Company with a fair value of $308,212,000 (2023: $235,771,000).

Expected contributions to the post-employment plan for the year ending 31 December 2025 are $7,394,000.

The significant actuarial assumptions used were as follows:

	2024	2023
Discount rate	9.5%	11.0%
Future salary increases	7.0%	8.0%
Expected pension increase	4.5%	5.4%

21. Retirement Benefit Asset and Obligations (Continued)

(a) Pension benefits (continued)

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on Post-employment	
	Change in assumption	Increase in assumption $'000	Decrease in assumption $'000
Discount rate	1%	(212,413)	271,088
Future salary increases	1%	63,938	(58,754)
Expected pension increase	1%	172,077	(145,623)
Life expectancy	1 year	44,680	(35,220)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(b) Other retirement benefits

The Group operates both a group health plan and a group life plan. The parent company covers 100% of the premiums of both plans. However, pensioners under the health plan have the option to pay an additional premium for single dependent or multiple dependents' coverage.

The method of accounting and the frequency of valuations for these plans are similar to those used for the pension scheme. In addition to the assumptions used for the pension scheme, the main actuarial assumption is a long-term increase in health costs of 6.5% per year (2023: 7.5%) for the insured group health plan.
The insured group life plan assumes a salary rate increase of 7% per year (2023: 8%).

The amounts recognised in the statement of financial position were determined as follows:

	The Group and Company	
	2024 $'000	2023 $'000
Present value of unfunded obligations	313,211	327,717

21. Retirement Benefit Asset and Obligations (Continued)

(b) Other retirement benefits (continued)

Movement in the amounts recognised in the statement of financial position:

	The Group and Company	
	2024 $'000	**2023 $'000**
Liability at beginning of year	327,717	258,749
Amounts recognised in the statement of comprehensive income	(762)	82,300
Contributions paid	(13,744)	(13,332)
Liability at end of year	313,211	327,717

The movement in the present value of the defined benefit obligation over the year is as follows:

	The Group and Company	
	2024 $'000	**2023 $'000**
Balance at beginning of year	327,717	258,749
Current service cost	18,294	12,772
Interest cost	35,313	32,797
Included in staff costs in profit or loss (Note 7)	53,607	45,569
Re-measurements-		
Loss from change in financial assumptions	68,583	70,225
Experience adjustments	(122,952)	(33,494)
Total, included in other comprehensive income	(54,369)	36,731
Benefits paid	(13,744)	(13,332)
Balance at end of year	313,211	327,717

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on Post-employment Obligations- Medical & Life	
	Change in assumption	**Increase in assumption $'000**	**Decrease in assumption $'000**
Discount rate	1%	(34,273)	42,068
Future medical cost rate	1%	39,121	(32,216)
Life Expectancy	1 year	8,857	(8,798)

21. Retirement Benefit Asset and Obligations (Continued)

(c) Risks associated with pension plans and other post-employment plans

Through its defined benefit pension plans and post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields; if plan assets underperform this yield, this will create a deficit.

As the plan matures, the trustees intend to reduce the level of investment risk by investing more in assets that better match the liabilities. The Government bonds largely represent investments in Government of Jamaica securities.

However, the Group believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long-term strategy to manage the plans efficiently. See below for more details on the Group's asset-liability matching strategy.

Changes in bond yields

A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the plan's assets are unaffected by fixed interest bonds, meaning that an increase in inflation will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension scheme. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Group has not changed the processes used to manage its risks from previous periods. The Group does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2024 consists of bonds and equities.

Funding levels are monitored on an annual basis and the current agreed contribution rate is 5% of pensionable salaries for the employees and 1% for the Group. The next triennial valuation is due to be completed as at 31 December 2026. The Group considers the current contribution rates to be sufficient to prevent a deficit and that regular contributions, which are based on service costs, will not increase significantly.

21. Retirement Benefit Asset and Obligations (Continued)

(c) Risks associated with pension plans and other post-employment plans (continued)

Life expectancy (continued)
The weighted average duration of the defined benefit obligation for the pension scheme is 10 years.
The weighted average duration of the defined benefit obligation for post-employment medical and life insurance benefits is 10 years respectively.

22. Inventories

	The Group		The Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Fuel	10,318	10,538	10,318	10,538
Operating supplies	575,121	642,742	568,676	638,127
	585,439	653,280	578,994	648,665

Operating supplies for the Group and Company are shown net of provision for impairment of $15,524,000 (2023: $15,524,000). There was no write-off of inventories during 2024 and 2023.

23. Related Party Transactions and Balances

(a) During the year the Group had normal business transactions with related parties as follows:

	The Group		The Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
(i) Revenue earned from sales of services				
Subsidiaries	-	-	15,619	8,899
Companies controlled by directors/members or related by virtue of common directorships	4,146,262	3,437,597	2,646,886	2,410,948
	4,146,262	3,437,597	2,662,505	2,419,847

Services provided to related parties are negotiated, as with non-related party customers, and are all at arms' length.

(ii) Other income				
Subsidiaries- management fees	-	-	111,396	101,680
Subsidiaries- interest	-	-	35,250	37,541
Companies controlled by directors/members or related by virtue of common directorships dividends	2,924	2,631	1,953	1,758
(iii) Purchases of goods and services				
Subsidiaries	-	-	164,235	123,548
Companies controlled by directors/members or related by virtue of common directorships	615,938	455,368	597,377	439,958
	615,938	455,368	761,612	563,506

23. Related Party Transactions and Balances (Continued)

(a) Year-end balances with related parties

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
(i) Due from related companies				
Subsidiaries				
Long term receivables	-	-	473,010	474,197
Current accounts	-	-	65,589	142,896
Companies controlled by directors/members or related by virtue of common directorships				
Trade receivables (Note 24)	419,225	368,580	263,387	224,609
	419,225	368,580	801,986	841,702

The long-term receivables are comprised of:

- Loan to a subsidiary of $470,000 (2023: $470 million) with a maturity date of 31 December 2027. Interest is charged at a rate of 7.5% per annum. The current account includes accrued interest of $5,823,000 (2023: $5,823,000) in relation to this loan.
- The balance of the current account is interest free and is repayable within twelve months.

Loss allowances of $22,006,000 (2023: $17,519,000) and $6,012,000 (2023: $12,295,000) for the Group and company respectively are held against trade accounts receivable from related parties.

(ii) Due to related companies

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Subsidiaries	-	-	30,906	30,895
Companies controlled by directors/members or related by virtue of common directorships				
Trade payables (Note 31)	11,443	7,998	11,507	8,062
	11,443	7,998	42,413	38,957

23. Related Party Transactions and Balances (Continued)

(b) Key management compensation

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Salaries and other short term employees benefits	105,830	98,131	86,348	81,486
Payroll taxes – employers' contributions	11,890	9,924	9,802	8,029
Pension benefits	863	981	863	815
Other	7,798	6,443	5,802	4,506
	126,381	115,479	102,815	94,836
Directors' emoluments - Fee	28,532	28,532	27,132	27,132
Management remuneration (included in salaries above)	60,556	57,280	60,556	57,280

24. Trade and Other Receivables

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade receivables	888,341	789,897	568,527	470,080
Less: Loss allowance	(76,929)	(83,153)	(20,293)	(31,748)
	811,412	706,744	548,234	438,332
Prepayments	62,436	58,393	54,094	49,768
Other	108,720	156,549	80,886	129,322
	982,568	921,686	683,214	617,422

Trade receivables include amounts receivable from related parties (Note 23). The fair values for trade and other receivables approximate the carrying values.

25. Cash and Cash Equivalents

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Short term investments	10,603,474	11,161,669	7,769,012	9,199,187
Cash at bank	1,275,643	923,480	752,397	495,300
	11,879,117	12,085,149	8,521,409	9,694,487

25. Cash and Cash Equivalents (Continued)

The weighted average effective interest rate on short term investments was 3.9% (2023: 4.6%) per annum for United States dollar denominated investments and 6.6% (2023: 7.9%) per annum for Jamaican dollar investments. These short-term investments have an average maturity of 81 days.

Cash at bank includes United States dollar savings accounts and an interest earning current account. Interest is currently 0.15% (2023: 0.15%) per annum and 3% (2023: 3%) per annum respectively.

The Group has undrawn credit facilities via bank overdrafts of $60 million and $5 million which attract interest at 16.85% and 16.25% respectively. Security for the facilities is described in Note 29.

26. Share Capital

The total authorised number of ordinary shares is 1,507,550,000 (2023: 1,507,550,000) units. All issued shares are fully paid. The no par shares in issue comprise the stated capital of the Company.

Holders to these shares are entitled to distributions as declared from time to time and are entitled to one vote per share at general meetings of the company.

	2024 Units ('000)	2023 Units ('000)	2024 $'000	2023 $'000
Issued and fully paid				
Ordinary stock units	1,430,200	1,430,200	2,079,398	2,079,398
Treasury shares	(39,422)	(20,199)	(1,098,161)	(602,208)
Issued and outstanding	1,390,778	1,410,001	981,237	1,477,190

26. Share Capital (Continued)

Treasury Shares

The treasury shares are shares in the company that are held by a Trust for the purpose of issuing shares under the Kingston Wharves Limited Employee Share Ownership Scheme and the Kingston Wharves Limited Executive Share Ownership Scheme.

In 2024, the Trust acquired an additional 19 million shares, valued at $500 million, and sold 150,000 shares to management personnel.

	2024		2023	
	Number of shares '000	$'000	Number of shares '000	$'000
Shares purchased for ESOP	40,237	1,128,358	20,863	628,358
Purchase/Issue of shares to staff	(49)	(1,801)	(49)	(1,801)
Executive share ownership scheme sale	(766)	(28,396)	(615)	(24,349)
Balance at the end of year	39,422	1,098,161	20,199	602,208

	Number of shares '000	$'000
Opening balance 1 January 2023	2,587	103,100
Acquisition of shares by the Trust	17,646	500,358
Executive share ownership scheme sale	(34)	(1,250)
Balance as at 31 December 2023	20,199	602,208
Shares purchased for ESOP	19,374	500,000
Executive share ownership scheme sale	(151)	(4,047)
Balance as at 31 December 2024	39,422	1,098,161

27. Other Reserves

Other reserves comprise:

	The Group		The Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Capital reserves	26,438,343	26,425,764	16,744,336	16,731,754
Fair value reserve	415,913	363,099	277,584	242,303
	26,854,256	26,788,863	17,021,920	16,974,057

Capital reserves

	The Group		The Company	
	2024	2023	2024	2023
	'000	$'000	'000	$'000
Unrealised surplus on revaluation of property, plant and equipment	27,328,666	27,328,666	17,317,059	17,317,056
Less: Deferred taxation	(1,477,904)	(1,477,904)	(996,321)	(996,321)
	25,850,762	25,850,762	16,320,738	16,320,735
Realised gain on sale of assets	30,188	30,188	5	5
Capital distributions received	3,612	3,612	3,612	3,612
Capitalisation of profits	130,325	130,325	-	-
Asset replacement reserve	419,971	407,392	419,971	407,392
Capitalisation of depreciation reserve	66	66	10	10
Arising on consolidation	3,419	3,419	-	-
	26,438,343	26,425,764	16,744,336	16,731,754

Fair value reserve

This represents unrealised surplus on revaluation of financial assets carried at fair value through other comprehensive income.

28. Asset Replacement/Rehabilitation and Depreciation Reserves

The Port Authority of Jamaica under the Wharfage Act mandated the creation of a special reserve to be provided through the tariff of wharfage rates, for the replacement and/or rehabilitation of the wharf facilities.

The Port Authority of Jamaica also stipulated that the depreciation charged on the historical cost of property, plant and equipment be matched with amounts placed in a Depreciation Fund. The requirement for these reserves became effective in 1998.

The Authority requires that both the Asset Replacement/Rehabilitation and the Depreciation Reserves be represented by a Fund consisting of cash, deposits or highly liquid securities. The net interest arising on such Funds should be transferred to the Asset Replacement/Rehabilitation and Depreciation Reserves, respectively. Amounts from these reserves are used for capital projects in accordance with guidelines set by The Port Authority of Jamaica.

28. Asset Replacement/Rehabilitation and Depreciation Reserves (Continued)

The balance of the reserves comprises:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Asset replacement/rehabilitation reserve		-		-
Depreciation fund	219,340	218,443	212,968	212,968
	219,340	218,443	212,968	212,968

The movement in each category of reserves was as follows:

(a) Asset Replacement/Rehabilitation Reserve

	The Group and Company	
	2024 $'000	2023 $'000
At beginning of year	-	-
Transfers from profit or loss account during the year	12,579	12,579
Transfer to capital reserves- utilised for capital expansion	(12,579)	(12,579)
At end of year	-	-

(b) Depreciation Fund

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
At beginning of year	218,443	217,577	212,968	212,968
Transfer from retained earnings (net interest)	897	866	-	-
At end of year	219,340	218,443	212,968	212,968

(c) Value of Reserve Funds Represented by Cash and Short-Term Investments

The Group has undertaken several capital projects, which have substantially exceeded the value of the Reserve Fund. As such, all related cash, deposits or liquid securities pertaining to the reserves have been fully utilized. This is subject to the final approval of The Port Authority of Jamaica.

29. Borrowings

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
(a) The Port Authority of Jamaica	1,480	1,480	1,480	1,480
(b) The Port Authority of Jamaica	1,452	1,452	-	-
(c) Bank of Nova Scotia Jamaica Limited	162,000	414,000	162,000	414,000
(d) Bank of Nova Scotia Jamaica Limited	3,768,000	3,020,000	3,768,000	3,020,000
(e) National Commercial Bank	22,222	50,000	22,222	50,000
(f) CIBC FirstCaribbean International Bank (Jamaica) Limited	401,786	517,857	401,786	517,857
(g) CIBC FirstCaribbean International Bank (Jamaica) Limited	-	22,815	-	22,815
(h) CIBC FirstCaribbean International Bank (Jamaica) Limited	-	48,380	-	48,380
(i) CIBC FirstCaribbean International Bank (Jamaica) Limited	2,945,000	3,100,000	2,945,000	3,100,000
	7,301,940	7,175,984	7,300,488	7,174,532
Less: Current portion	(1,072,360)	(701,930)	(1,072,360)	(701,930)
	6,229,580	6,474,054	6,228,128	6,472,602

(a) These loans, which are interest free and unsecured, were obtained to build a security wall and are repayable only if the wharf is sold.

(b) This comprises a loan towards the partial cost of construction of a security wall. This interest-free and unsecured loan is repayable only in the event of the asset being sold.

(c) This represents the refinancing of $477 million of the $1.8 billion loan obtained from Bank of Nova Scotia Ltd. to fund the construction of the Total Logistics Facility. The principal amount carries a fixed interest rate of 7% and is to be repaid over 7 quarters, it is scheduled to be repaid in June 2025.

(d) This represents a non-revolving term loan in the amount of $3.8 billion from The Bank of Nova Scotia Limited for the financing of the expansion and modernisation of a Berth. The interest rate varies over the life of the loan with rates fixed at 4.8% per annum for five years and thereafter at a rate of six month weighted average treasury bill yield (WATBY) rate plus 4% per annum, and capped at 6.5%. The loan facility is for seven years with a ten-year amortisation inclusive of two years moratorium on repayment of principal. The principal is repayable in 19 quarterly installments of $117.7 million and one final payment of $1.5 billion. There was a further drawdown on the facility of $2.02 billion in 2023 and $748 million in 2024.

(e) This represents an unsecured loan facility of $100 million from National Commercial Bank Jamaica Limited, for the refinancing of debt. The loan is repayable over five years in quarterly installments with an initial six-month moratorium on principal payments. The interest rate is fixed at 5.5% and the loan is scheduled to be fully repaid in December 2025.

(f) This represents a loan facility from CIBC First Caribbean International Bank (Jamaica) Limited to finance the company's acquisition of a new mobile harbour crane for $750 million. The loan is being amortised over a period of seven years at a fixed interest rate of 5.0% and is scheduled to be repaid in September 2028.

29. Borrowings (Continued)

(g) This represents a loan facility from CIBC FirstCaribbean International Bank (Jamaica) Limited towards the Group's capital expenditure program for the amount of $352 million. The loan is being amortised over a period of ten years at a fixed interest rate of 9.5% for the first two years and WATBY plus 2.5% thereafter. The loan facility also attracted a moratorium on principal in the first year and was repaid in July 2024.

(h) This represents a credit facility of $372 million granted by the Development Bank of Jamaica (DBJ) through CIBC FirstCaribbean International Bank (Jamaica) Limited and loan of $79.5 million from CIBC FirstCaribbean International Bank (Jamaica) Limited toward the company's capital expenditure program. The DBJ portion of the loan was repaid in 2022 and refinanced by CIBC FirstCaribbean International Bank. The loan was fixed at 5% p.a. and repaid in September 2024.

(i) This represents a loan in the amount of $3.1 billion from CIBC FirstCaribbean International Bank (Jamaica) Limited for the financing of the Ashenhiem Road Logistics Complex. The tenure of the loan is seven years with a fixed rate of 5.65%. There is an eighteen months moratorium on principal payments thereafter principal repayable in quarterly installments based on a 10-year amortization schedule.

Security for the loan facilities with CIBC FirstCaribbean International Bank (Jamaica) Limited (f)-(i) above and including the bank overdrafts (Notes 3 and 25) and guarantees (Note 33), is a registered demand debenture providing fixed and floating charges over the company's fixed and floating assets stamped to cover US$26.6 million, assignment of insurance proceeds and promissory notes stamped in the sums of $4.1 billion, mortgages/charges over property and machinery owned by the Group of $5.2 billion and overdraft lending agreement of $60 million.

The Bank of Nova Scotia Limited (BNS) facility (c) and (d) are secured by a debenture ranked pari passu with CIBC FirstCaribbean International Bank (Jamaica) Limited over the fixed and floating assets of the company, together with a legal mortgage over land and buildings owned by the Group, and supported by guarantees totaling $5.6 billion. Undrawn facilities from BNS include insurance premium financing of US$1.5 million, unsecured revolving loan of $4 million and bank overdraft (Note 25).

29. Borrowings (Continued)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group and company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group and company's statements of cash flows as cash flows from financing activities.

	The Group			
	Borrowings		Leases	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Balance at 1 January	7,175,984	2,488,669	500,714	44,341
Proceeds from loans	748,000	5,120,000	-	-
Repayment of loans	(622,044)	(432,685)	-	-
Repayment of lease liabilities	-	-	(98,528)	(64,463)
Effect of changes in foreign exchange rates	-	-	117,238	3,933
	125,956	4,687,315	18,710	(60,530)
New leases	-	-	-	500,714
Interest expense	186,824	89,740	37,554	16,189
Interest paid	(186,824)	(89,740)	-	-
	-	-	37,554	516,903
Balance at 31 December	7,301,940	7,175,984	556,978	500,714

29. Borrowings (Continued)

Reconciliation of liabilities arising from financing activities (continued)

	The Company			
	Borrowings		Leases	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at 1 January	7,174,532	2,487,217	536,560	151,152
Proceeds from loans	748,000	5,120,000	-	-
Repayment of loans	(622,044)	(432,685)	-	-
Repayment of lease liabilities	-	-	(175,484)	(140,363)
Effect of changes in foreign exchange rates	-	-	118,952	5,881
	125,956	4,687,315	(56,532)	(134,482)
New leases	-	-	141,997	500,714
Interest expense	186,824	89,740	41,798	19,176
Interest paid	(186,824)	(89,740)	-	-
	-	-	183,795	519,890
Balance at 31 December	7,300,488	7,174,532	663,823	536,560

30. Deferred Income Tax

Deferred income taxes are calculated on all temporary differences under the liability method using a tax rate of 12.5% (2023: 12.5%) for the company and 12.5% - 25% (2023: 12.5% - 25%) for the subsidiaries.

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Statement of financial position (assets)/liabilities for:				
Deferred income tax assets	(1,169)	(863)	-	-
Deferred income tax liabilities	1,768,333	1,667,645	1,433,689	1,305,383
	1,767,164	1,666,782	1,433,689	1,305,383

Deferred income tax assets and liabilities are due to the following items:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Deferred income tax assets-				
Vacation leave accrual	4,683	4,477	3,766	3,597
Other payables	1,993	1,511	537	55
Employee benefit obligations	39,151	40,965	39,151	40,965
Property, plant and equipment	5,589	5,676	-	-
Unrealised foreign exchange losses	7,735	4,529	7,121	4,096
	59,151	57,158	50,575	48,713

30. Deferred Income Tax (Continued)

Deferred income tax assets and liabilities are due to the following items (continued):

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Deferred income tax liabilities-				
Property, plant and equipment	1,603,029	1,527,017	1,262,411	1,158,381
Interest receivable	5,199	5,631	3,766	4,423
Retirement benefit asset	218,087	191,292	218,087	191,292
	1,826,315	1,723,940	1,484,264	1,354,096
Net deferred income tax liabilities	1,767,164	1,666,782	1,433,689	1,305,383

The movement in the net deferred income tax assets and liabilities during the year is as follows:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Net liabilities at beginning of year	1,666,782	1,510,119	1,305,383	948,266
Profit or loss (Note 10)	77,144	16,155	105,068	26,970
Effect on re-measurement of post-employment benefits	23,238	111,493	23,238	111,493
Stockholders' equity on revaluation surplus	-	286,850	-	218,654
Deferred tax effect on de-recognitio of revaluation surplus	-	(5,252)	-	-
Effect of change in tax rate	-	(252,583)	-	-
Net liabilities at end of year	1,767,164	1,666,782	1,433,689	1,305,383

The deferred tax movement in the profit or loss comprises the following temporary differences:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Vacation leave accrual	(241)	(1,211)	(170)	(1,031)
Other payables	(483)	3,349	(483)	16
Employee benefit obligations	(4,983)	(4,030)	(4,983)	(4,030)
Unrealised foreign exchange losses	(3,203)	6,320	(3,022)	5,709
Property, plant and equipment	76,101	8,622	104,030	23,649
Unrealised foreign exchange gains	(1)	3	-	-
Tax losses	-	283	-	-
Interest receivable	(400)	(2,527)	(657)	(2,689)
Retirement benefit asset	10,354	5,346	10,353	5,346
	77,144	16,155	105,068	26,970

30. Deferred Income Tax (Continued)

The deferred tax movement on the re-measurements of post-employment benefits in other comprehensive income comprises:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Retirement benefit asset	(16,442)	116,084	(16,442)	116,084
Employee benefit obligations	(6,796)	(4,591)	(6,796)	(4,591)
	(23,238)	111,493	(23,238)	111,493

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The offset amounts shown in the statement of financial position include the following:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Deferred income tax assets to be recovered				
After more than 12 months	46,272	51,170	52,475	45,061
Deferred income tax liabilities to be extinguished-				
After more than 12 months	1,821,116	1,718,309	1,480,498	1,349,673

31. Trade and Other Payables

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade payables	267,049	166,292	262,465	163,917
Dividends payable	626,686	627,090	626,686	627,090
Accrual for 16% wharfage	267,626	236,476	267,626	236,476
Contract retention	192,046	597,325	192,046	597,325
Other payables and accruals	1,331,635	1,150,997	1,164,323	1,028,010
	2,685,042	2,778,180	2,513,146	2,652,818

Trade and other payables include amounts payable to related parties (Note 23).

32. Operating Leases

The Group earned property rental income of $382,167,000 (2023: $283,395,000) under operating leases.

The future minimum lease payments receivable under operating leases (excluding investment property – Note 17) are as follows:

	2024 $'000	2023 $'000
No later than 1 year	343,331	379,045
Within 1 to 5 years	360,660	126,952
	703,991	505,997

33. Contingent Liabilities

Litigation

The company and its subsidiaries are subject to various claims, disputes and legal proceedings, in the normal course of business. Provision is made for such matters when, in the opinion of management and its legal counsel, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.

In respect of claims asserted against the Group which have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both financial position and results of operations. The Group is not currently involved in any significant litigation.

34. Commitments

The Group and company had capital commitments at year-end as follows:

	2024 $'000	2023 $'000
Authorised and contracted	455,026	1,236,248

Proxy Form

KINGSTON WHARVES LIMITED

Place **$100** Stamp Here

I/We .....

of .....

being a member/members of KINGSTON WHARVES LIMITED hereby appoint .....

.

.....

of .....

or failing him/her .....

of .....

As my/our proxy to vote on my/our behalf at the Annual General Meeting of the Company to be held at The Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, St. Andrew on Wednesday, June 4, 2025 at 10:00 a.m and at any adjournment thereof.

For more information please visit: www.kingstonwharves.com

RESOLUTIONS	FOR	AGAINST
Resolution 1	○	○
Resolution 2	○	○
Resolution 3 (i)	○	○
Resolution 3 (ii)	○	○
Resolution 3 (iii)	○	○
Resolution 3 (iv)	○	○
Resolution 4	○	○
Resolution 5	○	○

Date this ..... day of 2025

.....

Signature

.....

Signature

NOTES

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead.
2. If the appointer is a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorized in that behalf.
3. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.
4. If the form is returned without any indication as to how the person appointed proxy shall vote, the proxy shall exercise his discretion as to how he votes or whether to abstain from voting.
5. To be valid this proxy must be deposited with the Registrar and Transfer Agent, Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, Jamaica, or with the Company Secretary at Total Logistics Facility, 195 Second Street, Newport West, Kingston 13, St. Andrew, Jamaica, not less than 48 hours before the time appointed for holding the meeting.
6. A proxy need not be a member of the Company

KINGSTON WHARVES LIMITED

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