

CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE THREE MONTHS ENDED MARCH 31, 2022

CONDENSED CONSOLIDATED INCOME STATEMENT

J\$'000		UNAUDITED		AUDITED
		Three Months Jan to Mar		Year Jan to Dec
	Notes	2022	2021	2021
Revenue		6,814,750	5,965,382	23,840,001
Cost of sales		(3,642,237)	(3,082,958)	(14,007,828)
Gross profit		3,172,513	2,882,424	9,832,173
Operating expenses		(630,039)	(582,013)	(2,501,440)
Operating earnings before other expenses, net	6	2,542,474	2,300,411	7,330,733
Other expenses, net	7	(204,179)	(40,540)	(443,930)
Operating earnings		2,338,295	2,259,871	6,886,803
Financial income		3,311	4,329	12,300
Financial expenses		(133,650)	(162,097)	(670,895)
Loss on foreign exchange		(38,594)	(208,563)	(516,781)
Earnings before taxation		2,169,362	1,893,540	5,711,427
Taxation charge		(578,818)	(367,042)	(1,369,795)
CONSOLIDATED NET INCOME		1,590,544	1,526,498	4,341,632
Earnings per stock unit (expressed in \$ per stock unit)	3	1.87	1.79	5.10

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

J\$'000		UNAUDITED		AUDITED
		Three Months Jan to Mar		Year Jan to Dec
		2022	2021	2021
CONSOLIDATED NET INCOME		1,590,544	1,526,498	4,341,632
Items that will not be reclassified subsequently to the income statement:				
Net actuarial losses from remeasurement of employee benefits obligation		-	-	(179,630)
Deferred tax recognised directly in other comprehensive income		-	-	44,908
		-	-	(134,722)
Items that are or may be reclassified subsequently to the income statement:				
Effects from derivative financial instruments designated as cash flow hedge		53,581	5,293	40,355
		53,581	5,293	40,355
Total items of other comprehensive income (loss), net		53,581	5,293	(94,367)
TOTAL COMPREHENSIVE INCOME		1,644,125	1,531,791	4,247,265

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

J\$'000		UNAUDITED		AUDITED
		31.03.2022	31.03.2021	31.12.2021
ASSETS				
CURRENT ASSETS				
Cash at bank and on hand		401,691	754,573	244,900
Trade accounts receivable, net		382,400	403,990	324,808
Other accounts receivable		93,199	125,098	76,781
Inventories, net		3,466,997	2,690,578	3,440,106
Accounts receivable from related parties	5	454,626	67,252	121,565
Other current assets		91,043	57,882	68,282
Total current assets		4,889,956	4,099,373	4,276,442
NON-CURRENT ASSETS				
Property, machinery and equipment, net		23,039,857	22,719,875	23,232,007
Accounts receivable from related parties		-	1,573	-
Total non-current assets		23,039,857	22,721,448	23,232,007
TOTAL ASSETS		27,929,813	26,820,821	27,508,449
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Other financial obligations		1,604,294	1,111,884	1,514,153
Trade payables		3,329,046	3,656,395	4,451,098
Accounts payable to related parties		644,095	994,577	872,852
Other current liabilities		1,641,471	1,535,678	1,711,788
Total current liabilities		7,218,906	7,298,534	8,549,891
NON-CURRENT LIABILITIES				
Long-term debt		-	2,526,000	-
Other financial obligations		117,420	1,251,606	137,234
Employee benefits obligation		1,142,868	898,883	1,123,716
Deferred tax liabilities		1,993,149	1,730,640	1,885,512
Other non-current liabilities		34,158	51,445	32,909
Total non-current liabilities		3,287,595	6,458,574	3,179,371
TOTAL LIABILITIES		10,506,501	13,757,108	11,729,262
STOCKHOLDERS' EQUITY				
Share capital:				
Ordinary stock units		1,808,837	1,808,837	1,808,837
Capital contribution		3,839,090	3,839,090	3,839,090
Reserves:				
Realised capital gain		1,413,661	1,413,661	1,413,661
Other equity reserves		3,631,473	2,569,949	3,577,892
Accumulated net income		6,730,251	3,432,176	5,139,707
TOTAL STOCKHOLDERS' EQUITY		17,423,312	13,063,713	15,779,187
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		27,929,813	26,820,821	27,508,449

Approved and authorised for issue by the Board of Directors on April 28, 2022 and signed on its behalf by:


Parris A. Lyew-Ayee
Chairman


Yago Castro
Director

DIRECTORS' STATEMENT

Health and Safety

Caribbean Cement Company Limited (CCCL) continues to give top priority to the health and safety of its employees and other stakeholders. The Company is pleased to be reaping the benefits of its efforts as demonstrated by an impressive LTI (Lost Time Incidents) record and a very low COVID-19 infection rate among employees. Continued implementation, strict adherence, and monitoring of our 52+ safety protocols; an internal vaccination drive, and responsible behaviours displayed by our people have been the main drivers in helping us to prevent and curb the spread of the virus. Sixty-five percent of our workforce is now fully vaccinated.

We are equally proud of our LTI record which is close to being three years of ZERO incidents. The achievement of this milestone is due to the ongoing strengthening of our health and safety culture and the sustained and frequent training of our employees on this important pillar.

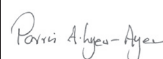
Sustainability

As CCCL continues its focus on climate change mitigation, the company recently rolled out its co-branded Vertua-certified cement in February and it is now fully incorporated into the local construction industry. This low-carbon cement has a range of features and benefits, which includes being more environmentally friendly, and easy to place and finish without any special equipment.

Carib Cement's achievement in developing low-carbon cement products and solutions aligns with the mandate of CEMEX's "Future in Action" global sustainability strategy, which follows the United Nations' Sustainable Development Goals on climate action.

Financial Performance

Caribbean Cement Company Limited earned revenue of \$6.8 billion in its first quarter, which represents a 14% growth when compared to the corresponding period in 2021. This increase in revenue was driven by the continued strong domestic demand being experienced, and the Company's capacity to supply the local market.


Parris A. Lyew-Ayee
Chairman
April 28, 2022

The "Operating earnings before other expenses, net" for the period was \$2.5 billion. "Operating earnings" after other expenses was \$2.3 billion, representing an increase of \$78 million when compared to the first quarter of the previous year. This increase in "Operating earnings" after other expenses was attributable to higher sales volumes offset by higher operational costs incurred during the period.

During the quarter, Caribbean Cement Company Limited recorded "Earnings before taxation" of \$2.2 billion, an increase of \$276 million over the corresponding quarter. This increase resulted from the deleveraging initiative undertaken by the Company and enabled the reduction of total liabilities. This initiative contributed positively to the reduction of the interest expense and foreign exchange exposure.

In relation to cash flows, "Net cash flows provided by operating activities" was \$661 million for the quarter.

Outlook

Caribbean Cement Company Limited remains encouraged about the future, especially given the recent actions by the Government of Jamaica to remove curfews and fully reopen the economy. The Company is also heartened by the strong cement demand evidenced by several announcements from the Government and private developers to construct housing and luxury villas, especially those that will adopt an eco-friendly design.

We will also continue to advance several of our flagship projects, which include the construction of concrete solutions in communities close to our operations.

Carib Cement will remain vigilant about possible impacts on business continuity due to the ongoing conflicts in sections of Europe, which have caused increased costs in fuel, power, and shipping as well as threats from new strains of the COVID-19 infection.

The board and management will continue to be proactive in the development and execution of strategies and actions to address these and other situations which may arise, as we do our part to Build a Greater Jamaica.


Yago Castro
Director
April 28, 2022

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

J\$'000		UNAUDITED		AUDITED
		Three Months Jan to Mar		Year Jan to Dec
		2022	2021	2021
OPERATING ACTIVITIES				
Consolidated net income		1,590,544	1,526,498	4,341,632
Adjustments for:				
Depreciation		362,553	381,033	1,515,255
Loss on disposal of property, machinery and equipment		-	-	5,761
Net expense (recovery) of impaired receivables		-	236	(26)
Interest income		(3,311)	(4,329)	(12,300)
Interest expense		25,565	97,304	267,719
Taxation charge		578,818	367,042	1,369,795
Decrease in rehabilitation provision		-	-	(13,879)
Inventory write-off		-	23	184
Inventory impairment allowance, net		409	-	60,489
Stockholding and inventory restructuring provision (reversal)		7,114	(8,450)	(4,977)
Employee benefit expenses		5,979	3,800	15,198
Unwinding of discount on preference shares		101,511	57,836	376,010
Unwinding of discount on rehabilitation provision		1,249	1,324	4,845
Unwinding of discount on lease liabilities		5,325	5,633	22,321
Unrealised foreign exchange losses, net		3,373	131,579	262,838
Changes in working capital, excluding taxes		(1,427,249)	745,233	528,018
Net cash flows provided by operating activities before financial income and expenses, employee benefits and taxes		1,251,880	3,304,762	8,738,883
Employee benefits paid		(9,530)	(7,148)	(31,585)
Interest received		3,311	4,329	12,300
Interest paid		(1,089)	(77,321)	(188,629)
Taxation paid		(583,636)	(952,727)	(1,422,939)
Net cash flows provided by operating activities		660,936	2,271,895	7,108,030
INVESTING ACTIVITIES				
Acquisition of property, machinery and equipment		(170,403)	(84,429)	(1,686,304)
Proceeds from disposal of property, machinery and equipment		-	-	135
Accounts receivable from related parties		(311,464)	-	-
Net cash flows used in investing activities		(481,867)	(84,429)	(1,686,169)
FINANCING ACTIVITIES				
Repayment of long-term debt, net		-	(1,916,650)	(4,442,650)
Other financial obligations:				
Repayment of redeemable preference shares		-	-	(1,167,440)
Repayment of lease liabilities		(23,351)	(20,861)	(79,537)
Net cash flows used in financing activities		(23,351)	(1,937,511)	(5,689,627)
Increase (decrease) in cash at bank and on hand		155,718	249,955	(267,766)
Cash conversion effect, net		1,073	(8,518)	(470)
Cash at bank and on hand at beginning of period		244,900	513,136	513,136
CASH AT BANK AND ON HAND AT END OF PERIOD		401,691	754,573	244,900
Changes in working capital, excluding taxes:				
Trade accounts receivable, net		(57,418)	(260,121)	(183,381)
Other current assets		(10,779)	67,944	87,003
Inventories, net		(34,414)	(311,574)	(1,125,094)
Trade payables		(1,136,759)	545,594	1,337,818
Other current liabilities		(187,879)	703,390	411,672
Changes in working capital, excluding taxes		(1,427,249)	745,233	528,018