

**JPS**

*Shine On*  
**Jamaica**

**Powering Forward,  
Together**



**Annual Report 2024**



## Powering Forward, Together

*Shine On, Jamaica*

2024 was a year that tested our systems, our teams, and our spirit. In the face of unprecedented challenges—from the impact of Hurricane Beryl to a dynamic energy landscape—JPS stood firm, focused, and forward-looking. We responded swiftly, invested boldly, governed responsibly, and served with heart.

At the core of every decision was a commitment to the people of Jamaica—to power what matters most, and to do it better every day. This year's Annual Report reflects that shared journey: of resilience strengthened, partnerships deepened, and a grid that's being prepared for what's next.

As we continue to invest in infrastructure, accelerate clean energy, and deliver on our promise of reliability and care, we remain focused on one simple truth: we shine brightest when we move forward—together.



OUR VISION

We are the people leading the energy revolution, unleashing Jamaica’s growth and prosperity.

OUR MISSION

Through inspired and committed employees, and innovative technologies, we deliver an energy solution to empower every Jamaican, fuel the growth of businesses, and support national development.

OUR CORE VALUES

A	Accountability
S	Safety
P	Passion
I	Integrity
R	Respect
E	Excellence

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OUR SAFETY CREED

No schedule is so important  
No job so urgent  
No emergency so great  
That we cannot take the time  
To work safely and take care of the environment



# YEAR IN REVIEW



10,000  
Meters


Upgraded under Estimate Reduction Programme

+75% of Customers now with Smart Meters



+80%

of customers now using the MyJPS App



9,386 kJ/kWh

in Fuel Efficiency Heat Rate recorded, surpassing target




JPS tied for **Best-Performing provider** in the Office of Utilities Regulation's (OUR's) annual Mystery Shopper Research




US\$61.9 M

Net Profit After Tax



2,228

students received Scholarships, Grants & Back-to-School Support valued at ~US\$300,000 from JPS and the JPS Foundation



678.1 MW

Peak Electricity Demand of 678.1 MW recorded in May



88%

Generation Fleet Availability – outperforming 86% target




US\$100 M

Financing secured through the Inter-American Development Bank for capital investments projects and other activities



Climate Action Conference & Expo hosted by JPS Foundation



Government approves 133MW Solar and 171.5MW Battery Storage Projects



+840

trees and 300 Mangrove Saplings planted by JPS employees – Volunteers on Location to Serve (VOLTS)





# Chairman's Message

## Resilience in the Face of Adversity – Commitment to a Sustainable Future

The year 2024 will long be remembered for its extraordinary challenges. Some were specific to our local operating environment, while others were external. Combined, these challenges significantly influenced our operations and the year's outcomes.

There was an unexpected CEO change in 2024, which prompted the Board of Directors to ask me to act in that capacity until a new CEO was appointed. We welcomed Hugh Grant as the new JPS President & CEO on August 1, 2024. The leadership transition took place during a season of volatility both locally and globally.

### Challenging Hurricane Season

Jamaica endured a series of devastating weather events during the 2024 hurricane season, which disrupted lives and tested our energy infrastructure. The most significant event was Category 4 Hurricane Beryl, which swept across the country on July 3, causing extensive damage to the electricity infrastructure and prolonged, widespread outages for our customers. In some sections of the island we had to do more than repair the infrastructure and restore service – we literally had to start the process of rebuilding sections of the grid.

And just as we were beginning to recover from the impact of Hurricane Beryl, the country was hit by Tropical Storm Rafael on November 5, which brought heavy rains and strong winds that caused outages across the island. With Tropical Storm Rafael, some of the progress made after Hurricane

Beryl was eroded in the hardest hit communities, and the process of rebuilding had to be restarted. The experiences of the 2024 hurricane season reinforced a hard truth: climate change is no longer a distant concern—it is a present and persistent threat. We recognise that we will continue to be faced with more frequent and more devastating weather events. And, as a utility, we have both a duty and an opportunity to respond. The challenges, while painful, have presented us with the opportunity to take a thorough look at our energy infrastructure and determine how we can strengthen the grid to withstand future events. The challenges have deepened our resolve to provide safe, reliable electricity to every home, every business, and every community we serve.

### Financial Performance

Despite a decline in profits relative to the previous year, our financial performance remained positive in 2024. The Group recorded a reduced net profit after tax of US\$61.9 million, compared to US\$68.2 million earned in 2023 – representing a reduction of approximately 10%. This decline is attributable mainly to reduced sales and significantly increased expenditure associated with the impact of adverse weather events during the year. Despite the challenges, we were still able to end the year on a positive note financially because we stayed focused, acted prudently, and delivered value in the face of volatility. More importantly, we emerged from this difficult year with renewed purpose and clarity.



There were, however, some unresolved matters in 2024, with implications for our financial performance and our ability to keep investing in infrastructure and service upgrades for our customers. Of significance is the fact that there has been a delay in the tariff review process, which was started during the year. It is our expectation that the process will move forward in 2025. We are also expecting that there will be some closure during 2025 on matters before the Appeal Tribunal which was constituted during 2024. Finally, there is an outstanding matter with a key fuel supplier, which we are seeking to have resolved as soon as possible in the interest of our customers.

### Building a Sustainable Future

Like other countries around the globe, Jamaica is actively pursuing a green energy future. As a company, we wholeheartedly support the country's renewable energy targets and embrace the opportunity to help achieve them. In collaboration with the Government, we are laying the foundation for a low-carbon future—one that balances reliability, affordability, and sustainability.

Our future projects include the development of new renewable generating facilities and the integration of battery energy storage systems to enhance grid stability, as the Government has approved our plans to replace existing generation with 133 MW of solar energy and 171.5 MW of Battery Storage. We will invest approximately US\$300 million in these projects between 2025 and 2028. The new capacity represented by these projects will transform how we generate and manage electricity, helping to usher in a new era of cleaner, greener energy.

### Going Further, Doing More

Beyond our core operations, our corporate social responsibility programmes continue to play a vital role in national development. Through the JPS Foundation, we are helping to build resilient communities—supporting STEM education, championing environmental

sustainability, and investing in community development projects that uplift and empower. In 2024, we partnered with several local and international institutions to implement initiatives in these areas. Our partners included the Inter-American Development Bank (IDB), the University of the West Indies, the University of Technology, the National Environment and Planning Agency and the Forestry Department. Over 10,500 persons benefitted directly from the Foundation's initiatives, in which more than US\$1 million was invested during the year.

A significant achievement for us in 2024 was the opening of the JPS Center of Excellence as part of our strategy to train and certify local and regional grid operators, and prepare our workforce for the grid of the future. The state-of-the-art facility, which will be used to develop expertise in grid operations and management, contingency planning, and emergency response for utilities, was launched in partnership with the Caribbean Electric Utility Services Corporation (CARILEC).

As we look to the future, we recognise that there will be new challenges and new opportunities. The year 2025 has presented new challenges in the world economy that will no doubt impact us in some way. The energy landscape is changing rapidly, and we remain committed to being an active player in the transformation of Jamaica's electricity sector.

Our path is clear. We will keep building. We will keep improving how we serve. And we will keep partnering for progress. I extend my heartfelt thanks to our customers, employees and all other stakeholders for your support. Together, we are not only weathering the storms—we are shaping the future of energy for generations to come.



**Damian Obiglio**  
Chairman

IN A YEAR THAT  
TESTED EVERY SYSTEM,  
EVERY PLAN, AND  
EVERY EXPECTATION,  
**OUR COMMITMENT TO**  
JAMAICA HELD FIRM.  
THROUGH **RESILIENCE,**  
**PARTNERSHIP,** AND  
A SHARED BELIEF IN  
OUR PURPOSE, WE  
MOVED FORWARD —  
READY TO MEET THE  
FUTURE, **TOGETHER.**



# President & CEO's Message

When I stepped into the role of CEO on August 1, 2024, immediately following the devastating impact of Hurricane Beryl, it was apparent that proactive leadership, innovative strategies, and sustained investments would be essential for Jamaica's energy future. Hurricane Beryl was more than a natural disaster—it was a defining moment that vividly demonstrated our vulnerabilities, tested our resilience, and united us in purpose. The storm profoundly reshaped our perspective and reinforced the fact that our role transcends merely supplying electricity; our purpose is to power possibilities, foster innovation, and build a secure energy future for Jamaica.

“At JPS, we see ourselves as facilitators of growth and prosperity, and partners in national progress, sustainability, and resilience. Everything we do is for the benefit of our customers – to power what really matters to the people we serve.

We have sharpened our commitment to investing significantly in a stronger, more resilient grid infrastructure, elevating safety protocols, deepening stakeholder engagement, advancing renewable energy solutions, enhancing the skills and capacities of our talented employees, mitigating future vulnerabilities, and positioning JPS at the forefront of the Caribbean's energy evolution.



## Safety First: Building a Culture of Vigilance and Care

Safety is a value for us at JPS. Hurricane Beryl underscored the urgent importance of rigorous safety measures, thorough preparedness, and continuous vigilance in protecting our most valued assets—our people. To uphold this commitment, we are refining our safety programs, and developing comprehensive training initiatives aligned with international best practices. Beyond our internal operations, our commitment to safety actively extends to the broader Jamaican community. To this end, we are working closely with communities and key stakeholder groups to raise awareness about electrical safety, disaster preparedness, and responsible energy use.

## Reliability & Resilience: Strengthening Our Energy Backbone

Reliability and resilience form the backbone of our commitment to Jamaica's energy security. Recognizing the critical importance of a robust and adaptable power infrastructure, JPS has made significant financial commitments over the past five years, allocating between US\$80 million and US\$100 million annually toward comprehensive infrastructure enhancement. Notably, a substantial strategic investment of US\$108 million or approximately J\$17 billion is earmarked for 2025, dedicated to significantly fortifying our networks. These proactive investments aim to reduce power disruptions, safeguard infrastructure integrity, and improve our system's ability to withstand extreme weather events such as hurricanes and tropical storms.

To achieve these objectives, we are undertaking extensive grid-hardening initiatives. Our strategic approach includes reinforcing transmission lines, systematically replacing aging and vulnerable poles, and implementing smart grid technologies. These enhancements not only bolster structural durability but will also enable sophisticated automation and predictive analytics, greatly improving our capability to detect faults swiftly, conduct proactive maintenance, and rapidly restore services. These measures collectively minimize downtime and mitigate the economic impact of disruptions on households, businesses, and critical services.



Recognizing the critical role of environmental management in infrastructure resilience, vegetation management has emerged as an essential priority. Our significantly expanded vegetation management program proactively addresses the threats posed by trees and other vegetation to power lines. By systematically managing these threats, we aim to effectively reduce vegetation-related outages, ensuring more reliable power delivery, and strengthening the stability and resilience of our entire energy network.



In the aftermath of Hurricane Beryl, we gleaned crucial insights that prompted substantial enhancements to our disaster preparedness and response protocols. We have strengthened our partnerships with local and international restoration services for faster, more effective response and resource mobilization during emergencies. Recognizing the critical importance of timely and accurate communication during crises, we have refined our emergency communications systems, to provide clear, transparent, and frequent updates to stakeholders, customers, and the general public. We have also bolstered our pre-storm strategies by accelerating mobilization processes, enhancing logistical readiness, and optimizing resource allocation, enabling rapid response and significantly reducing downtime during future weather events.

These strategic actions are essential to securing Jamaica's energy infrastructure against future disruptions, underpinning our commitment to delivering reliable, and resilient service to our customers and communities.



Stakeholder Engagement: Building Collaborative Partnerships

At JPS, we understand that effective stakeholder engagement is foundational to achieving sustainable growth and resilience for Jamaica. Hurricane Beryl vividly illustrated the critical importance of clear, timely communication and robust partnerships with all our stakeholders. Building on the lessons learnt after Hurricane Beryl, we have significantly enhanced our stakeholder engagement strategies, for more consistent, transparent, and meaningful dialogues with customers, regulators, business partners, and the communities we serve.



JPS President and CEO, Hugh Grant, in conversation with Mayor of Black River, Richard Solomon, at a Back-to-School Treat in Ginger Hill, St. Elizabeth.

Our customers remain at the centre of everything we do. In addition to improving service reliability, we are taking steps to elevate customer satisfaction. We are enhancing the options and tools available to our customers to simplify interactions and directly address customer pain points.



Members of the JPS team during Customer Service Week, October 2024.

Recognizing the complexities often associated with billing, we have initiated targeted educational campaigns aimed at improving billing transparency, enabling customers to better understand their energy consumption patterns, manage their expenses effectively, and make informed decisions about their energy usage. Stakeholder engagement actively extends to the business community through consistent collaboration with key business associations such as The Chambers of Commerce, the Private Sector Organisation of Jamaica (PSOJ), The Jamaica Manufacturing and Export Association (JMEA) and various industry-specific groups. We are taking steps to have more structured dialogues, collaborative forums, and joint strategic initiatives, aligning our company's objectives with broader economic goals, in order to foster an enabling environment for business growth.

Employees: Empowering Our People, Securing Our Future

Our employees are the driving force behind JPS' continued success and innovation. We place significant emphasis on employee development, building a culture of continuous learning, empowerment, and growth. Investing in our people, we offer extensive training and professional development opportunities, enhancing both technical expertise and leadership capabilities.



Recognition and reward for employee contributions remains integral to our organizational ethos. Our performance management systems are designed to recognize excellence, incentivize innovation, and nurture leadership potential across all organizational levels. Employee wellness initiatives ensure holistic support, contributing to a balanced, healthy, and motivated workforce, ready to address the dynamic challenges of our evolving sector.

Clean Energy Revolution: Championing Sustainability

JPS is fully committed to supporting the Government's target of 50% renewables by 2030. We will be an active partner in Jamaica's transition towards more sustainable energy solutions. This transition addresses both environmental and economic imperatives, and will facilitate a reduction in dependency on imported fossil fuels, while enhancing national economic resilience.

We welcome the Government's approval of our proposal to add 171.5 MW of Battery Energy Storage and 133 MW of solar to the grid over the next three years. Our investment in storage and renewables will be pivotal to the nation's fuel diversification strategy, while ensuring sustained grid stability.

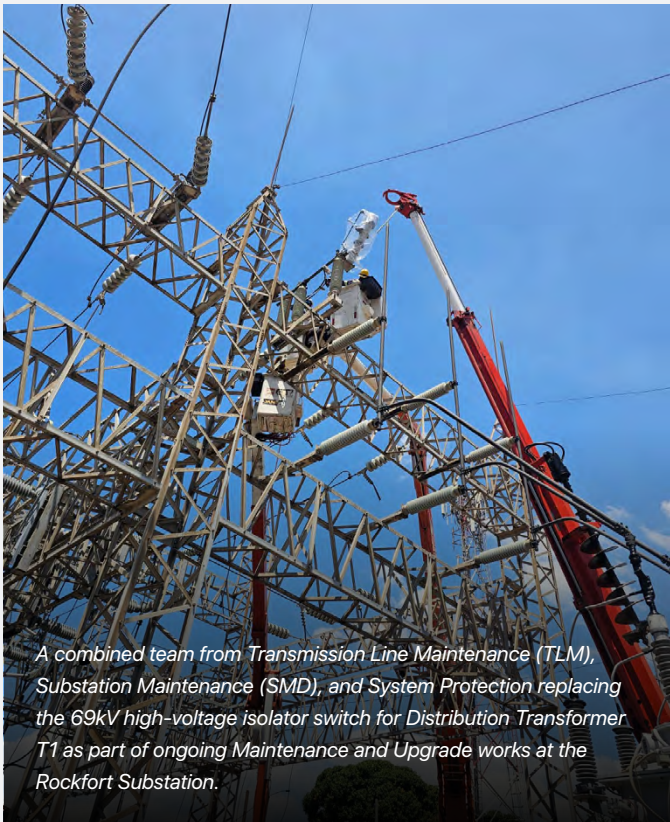


**Envisioning Tomorrow:** Strategic Investments for National Growth

Our vision for Jamaica's energy future demands significant, sustained investments and strategic partnerships:

-  Significant annual investments in infrastructure upgrades and modernization.
-  Robust investment in advanced grid solutions, predictive analytics, and resilience-building infrastructure.
-  Aggressive pursuit of renewable energy projects, energy-efficiency initiatives, and innovative technologies.
-  Expanded engagement and collaboration with regulatory authorities, government agencies, businesses, and community stakeholders to ensure cohesive and sustainable energy development.

Through progressive policy advocacy, robust regulatory engagement, and strategic alignment, we aim to secure Jamaica's energy future, promote economic growth, and ensure inclusive prosperity.



*A combined team from Transmission Line Maintenance (TLM), Substation Maintenance (SMD), and System Protection replacing the 69kV high-voltage isolator switch for Distribution Transformer T1 as part of ongoing Maintenance and Upgrade works at the Rockfort Substation.*

**Together, Shaping a Thriving Jamaica**

As we look to the future, the urgency is clear: we must consistently invest, innovate, and collaborate. Doing so will not only protect us from future shocks but also unlock new possibilities for economic development, environmental responsibility, and national prosperity.

We stand resolutely committed to reshaping and fortifying Jamaica's energy future. Our vision, deeply informed by crisis yet boldly optimistic, is to lead Jamaica toward a secure, resilient, and sustainable tomorrow, powered by innovation, anchored in strong partnerships, and guided by a shared commitment to national advancement.

Thank you for your ongoing support, trust, and collaboration. Together, let us power what matters to all of us - a thriving, resilient, and sustainable Jamaica, full of opportunity and promise.

  
**Hugh Grant**  
President & CEO

POWERING FORWARD  
REQUIRES MORE THAN  
WILL — IT DEMANDS  
STRATEGY, DISCIPLINE,  
AND FOCUS. THROUGH  
EVERY RESTORATION,  
INVESTMENT, AND  
INNOVATION, JPS IS  
STRENGTHENING ITS  
FOUNDATION FOR  
TOMORROW. THIS  
IS HOW RESILIENCE  
BECOMES RESULTS.



# Management, Discussion & Analysis

## Results of Operations

The year ended 31 December 2024 can be characterised as one of “*Recovery and Resilience*”. The Group began 2024 buoyed by the continued improvement in the economic climate, as demonstrated by 5% growth in sales for the first six months, compared to the same period the prior year. The impact of Hurricane Beryl and other adverse weather conditions in the 3rd quarter halted the gains noted. As a result, for the full year the Group's electricity sales were flat compared to the prior year, with 3,340 GWh recorded in 2024 compared to 3,354 GWh for 2023. Despite the flat sales, the Group's operating revenues increased by approximately 2%, from US\$1,073 million in 2023 to US\$1,093 million for 2024, primarily as a result of increased tariff rates.

The impact of Hurricane Beryl continued to reveal itself in other areas, with Cost of Sales declining from \$658 million in the prior year to the \$654 million incurred in 2024. This decline of approximately \$4.7 million was primarily due to a 1.6% reduction in Net Generation, from 4,665 GWh in 2023 to 4,591 GWh in 2024, which impacted total Fuel and Gas costs.

In relation to its operating expenses, the Group experienced a \$37.9 million (14%) increase over the prior year, moving from \$265 million to \$303 million. The damage caused by Hurricane Beryl and other adverse weather phenomena on the Transmission and Distribution network is the primary factor in the \$10.1 million increase in Depreciation and Amortization expenses. Additionally, the mammoth effort employed in the subsequent

restoration activities during the 3rd quarter was one of the primary factors in the increase in staff costs of \$16.0 million and third party contractor and other services of \$7.3 million, as well as inflationary adjustments, compared to the prior year.

During the last half of the year, the full restoration of customers back onto the grid was the primary focus of the Group. This resulted in a significant redeployment of resources to effectively respond to the crisis, including the engagement of external resources from local and international partners. Additionally, understanding the heightened anxiety of the public during this time, the Group implemented its “*Hurricane Beryl Relief Programme*” which included discounts on the bills of Postpaid customers and top-ups for active residential Prepaid customers.

Net finance costs declined by approximately US\$3.0 million to US\$56.9 million for the year. This was due to additional interest income of \$1.9 million earned by the Group during the year, and a reduction of US\$4.4 million in interest costs from the continued servicing of its loan and lease portfolio. These reductions were, however, offset by an increase in net foreign currency losses of \$1.2 million.

Through strategic investments in its associated company, South Jamaica Power Company Limited, and fully owned subsidiary, Caribbean Blue Skies Energy Limited, the Group earned US\$5.3 million and US\$1.0 million respectively during the year. The performance of these investments has continued to demonstrate the success of the Group's diversification strategy, which began over the past decade.

Through a combination of the factors mentioned above, along with taxation of US\$20.4 million, the Group earned a Net Profit after tax of US\$61.9 million - which is a reduction from the US\$68.2 million earned in in 2023.

## Consolidated Statement of Financial Position

The Group's total assets experienced a marginal decline of less than 1% to US\$1,734 million. The Group experienced a US\$26.6 million reduction in the value of its Right of Use assets due to depreciation charges, a US\$6.5 million reduction in the value of the Group's defined benefit plan, and a decline in the Group's cash resources. However, these were generally offset by a net increase in Property, Plant and Equipment of US\$16.4 million, due to its capital expenditure activities, and an increase of US\$22.1 million in inventories, primarily related to the Group's Transmission and Distribution management and restoration efforts.

Total liabilities decreased by 3% or US\$33.3 million, primarily as a result of the amortization of the Group's leases and other long term liabilities. The Group secured financing of US\$100 million for its capital investments projects and other activities through the Inter-American Development Bank - of which US\$50 million was utilised during the year.

Despite the headwinds experienced from the impact of Hurricane Beryl, the Group was able to increase its Shareholders' equity by 4.4% to US\$634 million, inclusive of the payment of dividends of US\$29.5 million.

## Statement of Cash Flows

As a result of the performance indicated above, the Group was able to generate net operating cash inflows of US\$197.8 million (2023 – US\$ 237.0 million) from its operating activities. The decrease in these cash flows was primarily driven by the additional investment in the Group's working capital to meet additional operational needs during the year.

The Group experienced a net cash outflow of US\$ 87.4 million (2023 – US\$ 68.9 million), primarily as a result of its capital investment activities to replace assets damaged during Hurricane Beryl, as well as ongoing projects surrounding the resilience of the Transmission and Distribution network and the efficiency of its Generation plants.

Regarding its Cash Flows from Financing activities, the Group had outflows of US\$128.5 million (2023 – US\$ 161.0 million) primarily as a result of the servicing of its leases and other long term obligations, and the payment of dividends to ordinary and preference shareholders. The outflows were offset by additional short and long term financing of US\$55.0 million received during the year. This has resulted in a reduction of the Group's cash and cash equivalents of US\$18.6 million from US\$66.2 million in the prior year to US\$47.6 million as at December 31, 2024.





# RISING STRONGER AFTER THE STORM

Hurricane Beryl tested the resilience of our people, our systems, and our communities. JPS responded with urgency and care — restoring power, delivering relief, and standing with Jamaica. Strengthened by the lessons of Beryl and Tropical Storm Rafael, we continue to power forward, together.



# Operational Statistics

	2024	2023	2022	2021	2020
OPERATING REVENUES (\$000's)					
Residential	422,833	412,539	437,055	385,308	358,467
Commercial & Industrial (Sml.)	451,503	448,781	491,399	398,656	367,183
Commercial & Industrial (Lrg.)	176,414	177,119	194,760	149,568	125,950
Other	42,086	34,372	40,373	39,837	37,106
<b>Total</b>	<b>1,092,836</b>	<b>1,072,811</b>	<b>1,163,587</b>	<b>973,369</b>	<b>888,706</b>

AVERAGE NO. OF CUSTOMERS					
Residential	627,242	616,896	609,061	612,168	605,174
Commercial & Industrial (Sml.)	73,763	72,313	71,100	71,065	71,034
Commercial & Industrial (Lrg.)	179	177	173	172	173
Other	486	495	494	482	498
<b>Total</b>	<b>701,670</b>	<b>689,881</b>	<b>680,828</b>	<b>683,887</b>	<b>676,879</b>

NEXT GENERATION AND PURCHASES (MWH)					
Steam & Slow Speed Diesel	272,671	240,043	266,989	225,868	459,696
Hydro	122,470	110,279	119,441	138,431	135,581
Gas Turbines	42,741	70,550	54,035	29,350	60,240
Combined Cycle Plant	688,501	731,138	672,420	753,327	740,009
Purchases	3,464,551	3,512,849	3,311,885	3,156,981	2,831,903
<b>Total</b>	<b>4,590,935</b>	<b>4,664,859</b>	<b>4,424,770</b>	<b>4,303,957</b>	<b>4,227,429</b>

Losses & Unaccounted for (MWh)	1,251,308	1,310,457	1,258,795	1,223,062	1,135,883
Systems losses as a percentage of Net Generation	27.3%	28.1%	28.4%	28.4%	26.9%
Heat Rate JPS Thermal (Kj/kWh)	9,386	9,379	9,767	9,442	10,262

ENERGY SALES (MWH)					
Residential	1,163,409	1,144,027	1,079,489	1,121,815	1,157,455
Commercial & Industrial (Sml.)	1,430,458	1,440,285	1,362,781	1,286,128	1,315,407
Commercial & Industrial (Lrg.)	706,885	730,132	682,294	623,601	566,201
Other	38,874	39,958	41,411	49,350	52,483
<b>Total</b>	<b>3,339,627</b>	<b>3,354,402</b>	<b>3,165,975</b>	<b>3,080,894</b>	<b>3,091,546</b>

AVERAGE USE & REVENUE per residential customer					
Annualized kWh Consumption/Customer	1,855	1,854	1,772	1,833	1,913
Annualized Revenues/Customer	674	669	718	629	592
U.S Dollars per kWh	0.36	0.36	0.40	0.34	0.31
Average billing exchange rate for period (J\$:US\$)	157.00	154.36	154.13	150.77	142.00

# Key Performance Indicators

kWh Sales



**35%**  
Residential



**43%**  
Commercial  
& Industrial (Sml.)



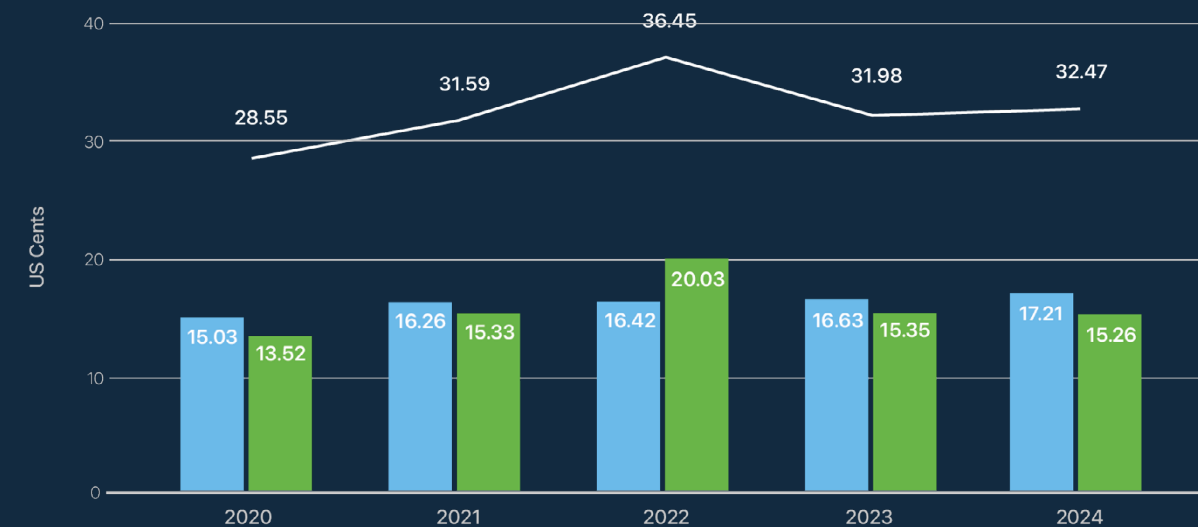
**21%**  
Commercial  
& Industrial (Lge.)



**1%**  
Other

REVENUE  
US\$/kWh

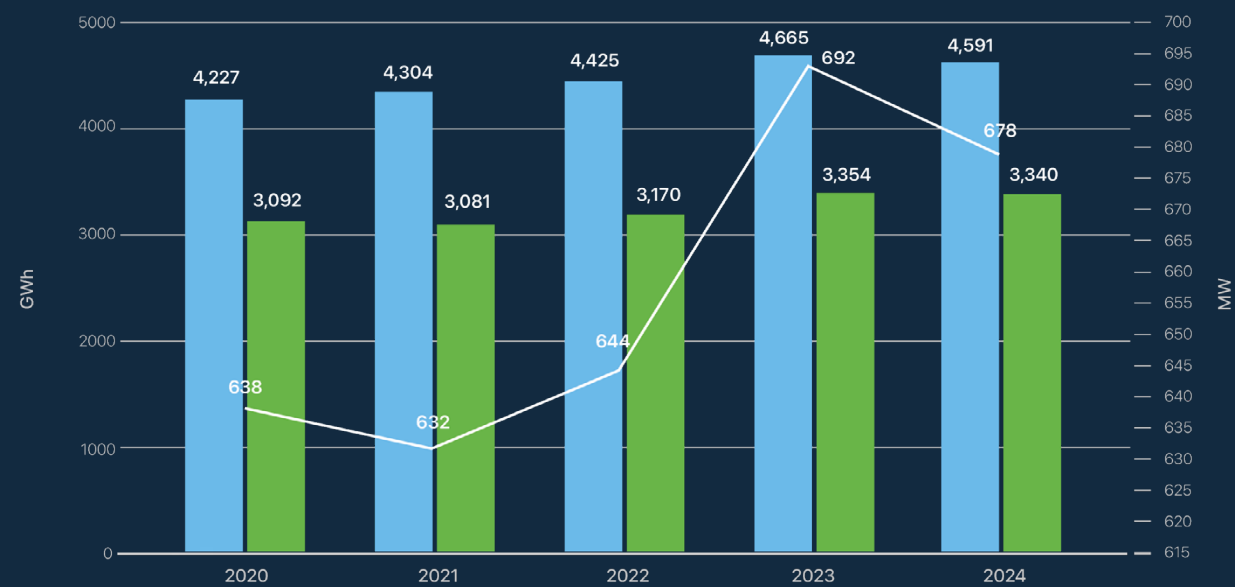
Non-Fuel  
Fuel  
Total





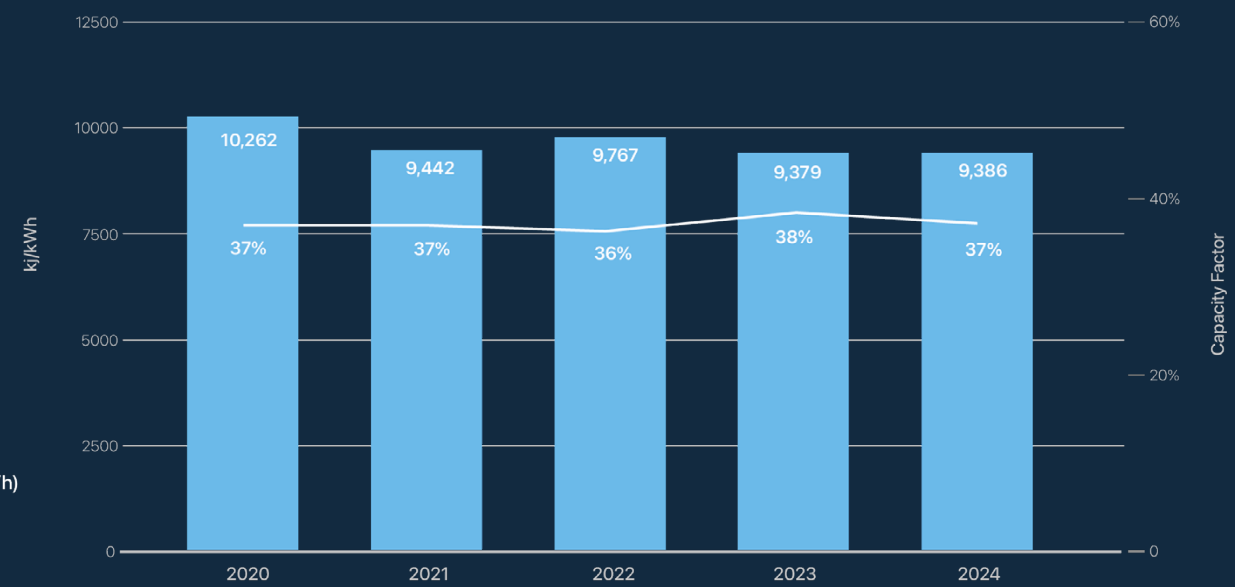
## ELECTRICITY DEMAND

Net Gen (GWh)  
Sales GWh  
Peal Demand MW



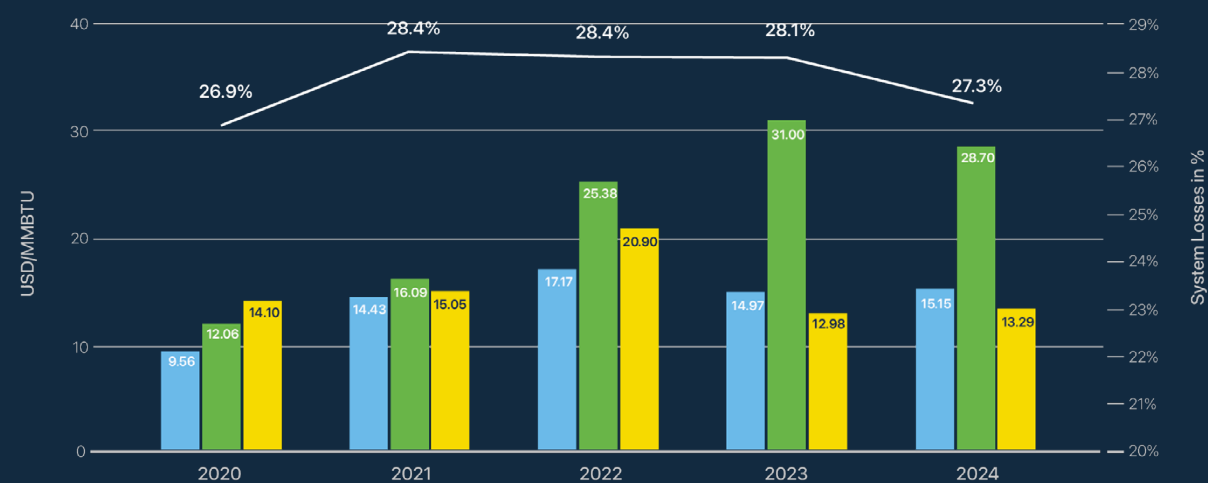
## HEAT RATE & CAPACITY FACTOR

JPS Thermal (kj/kWh)  
Capacity Factor



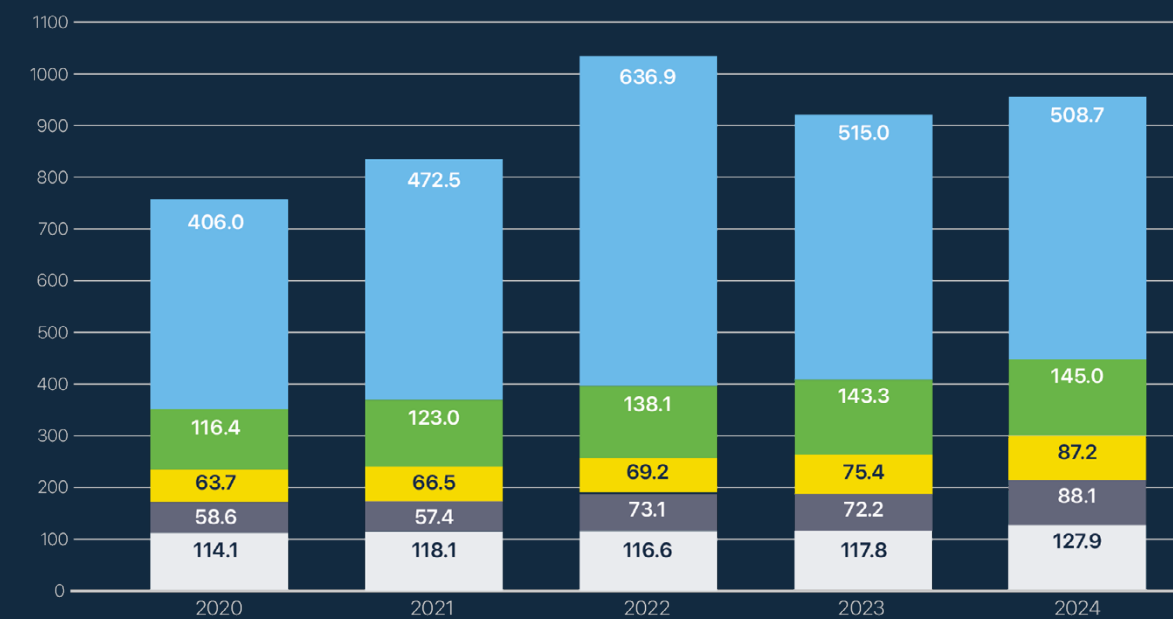
## FUEL PRICES & System Losses

No. 6 Fuel  
No. 2 Fuel  
LNG  
System Losses



## EXPENSES

Fuel  
Purchase Power  
Other  
Staff Cost  
Depreciation and amortisation





# Ten Largest Shareholders' Listings

as at December 31, 2024

## JPS Preference B Shares (7%)

Rank	Name of Shareholder	No. of Units
1	Philip Harvey-Lewis & Gina Harvey-Lewis	130,666
2	Security Brokers Limited	81,005
3	Crown Life Insurance Company	10,000
4	John Headcock	7,410
5	Nico-Lisa Morris	6,700
6	Dane Mahon & Eilene Lawrence-Mahon	5,710
7	National Utility Fund	5,600
8	Kimberly Burrowes	5,597
9	Est. George H. Scott	5,000

## JPS Preference C Shares (5%)

Rank	Name of Shareholder	No. of Units
1	Everard Smith & Alain Smith	11,416
2	Security Brokers Limited	6,917
3	Philip Harvey-Lewis & Gina Harvey-Lewis	6,728
4	Renata Headcock	4,460
5	Herma Sassoon (Deceased)	1,900
6	Uranie Ferro	1,800
7	Prudential Stockbrokers Limited	1,628
8	Buck Security Brokers Limited	1,566
9	Estate Cecily Howe	1,500
10	Leycester H. Lyon	1,500

## JPS Preference D Shares (5%)

Rank	Name of Shareholder	No. of Units
1	Everard Smith & Alain Smith	218,519
2	Philip Harvey- Lewis & Gina Harvey-Lewis	82,817
3	Security Brokers Limited	64,470
4	Crown Life Insurance Company Limited	20,000
5	Grethel Forrester- Benjamin & Lloyd Benjamin	20,000
6	Prudential Stockbrokers Limited	18,185
7	Ronald W. Kuper	13,600
8	Uranie Ferro	9,202
9	Winston G. Headcock	9,085
10	Eualyn James	8,463

## JPS Preference E Shares (6%)

Rank	Name of Shareholder	No. of Units
1	Everard Smith & Alain Smith	137,777
2	Security Brokers Limited	30,000
3	Susan Headcock	30,000
4	Field Nominees Limited	10,000
5	Estate Charles O. Edwards (Deceased)	5,000
6	Imperial Optical Company (WI) Limited	5,000
7	Berkeley Properties Limited	3,613
8	Winston G. Headcock	3,400
9	Monica Powell	3,300
10	Estate Ruth M. Robertson	3,000
11	Eleanor Webster	3,000
12	Rezworth Burchenson & Valerie Burchenson	2,200

## JPS Preference F Shares (9.5%)

Rank	Name of Shareholder	No. of Units
1	National Insurance Fund	350,000
2	PAM - Pooled Equity Fund	273,800
3	GraceKennedy Pension Fund Custodian Limited for GraceKennedy Pension Scheme	250,000
4	JPS Employees' Superannuation Fund	246,361
5	Guardian Life Limited	149,900
6	ATL Group Pension Fund Trustee Nominee Limited	100,000
7	SJIML A/C 3119	98,137
8	Sagicor Pooled Foreign Currency Fund	78,914
9	Prime Asset Management JPS Employees Superannuation Fund	78,471
10	Sagicor Life Jamaica Limited	72,621

## JPS Ordinary Stocks

Rank	Name of Shareholder	No. of Units
1	EWP (Barbados) 1, SRL	155,366,792
2	MaruEnergy JPSCO I, SRL	155,366,792
3	National Investment Bank of Jamaica Ltd.	2,183,237
4	R.S Gamble and Son Ltd.	108,139
5	Faith A. Myers	74,394
6	Melle Marguerite Simard (Deceased)	59,514
7	Frank Renfrette	45,462
8	John George	43,396
9	Agnes Theresa Fong Yee	31,410
10	Renee Rosier Joel	29,757

## JPS Ordinary Shares

Rank	Name of Shareholder	No. of Units
1	EWP (Barbados) 1 SRL	8,575,911,306
2	MaruEnergy JPSCO 1, SRL	8,575,911,306
3	Accountant General	2,386,573,897
4	Accountant General	1,974,065,546



## OPENING NEW DOORS TO EXCELLENCE

In 2024, JPS proudly launched the *Centre of Excellence* — a hub dedicated to empowering our people, strengthening technical expertise, and advancing innovation. Built for today and tomorrow, the Centre reflects our commitment to building a resilient energy future, with resources used to train and certify local and regional utility workers in grid operations, management, contingency planning, and emergency response.



*Damian Obiglio (second from left), Chairman of JPS and Dr. Cletus Bertin (third from left), Executive Director of the Caribbean Electric Utility Services Corporation (CARILEC) sign a Memorandum of Understanding (MOU) between the utility and CARILEC at the opening of the JPS Center of Excellence on December 4, 2024. Looking on are Lincoy Small (first from left), Director of System Operations at JPS and Hugh Grant (fourth from left), President and CEO of JPS.*

## LIGHTING THE WAY, ISLANDWIDE

In 2024, we continued expanding and upgrading Jamaica's public lighting network — enhancing safety, security, and quality of life for thousands across our communities.





# Corporate Data

## Registrar

Cumulative Preference Shares and Ordinary Stock & Shares  
Jamaica Central Securities Depository Limited  
40 Harbour Street  
Kingston, Jamaica, W.I.

## Registered Office

6 Knutsford Boulevard  
Kingston 5, Jamaica, W.I.

## Auditors

KPMG  
6 Duke Street  
Kingston, Jamaica, W.I.

## Bankers

National Commercial Bank Jamaica Limited  
3rd Floor, 32 Trafalgar Road  
Kingston 10, Jamaica W.I.

Bank of Nova Scotia Jamaica Limited  
ScotiaBank Centre  
Cnr Duke & Pt Royal Streets  
Kingston, Jamaica, W.I.

Citibank N.A.  
19 Hillcrest Avenue  
Kingston 6, Jamaica, W.I.

## Attorneys-at-Law

Livingston Alexander & Levy  
Attorneys-at-Law  
72 Harbour Street  
Kingston, Jamaica, W.I.

Nunes Scholefield DeLeon & Co.  
Attorneys-at-Law  
6a Holborn Road  
Kingston 5, Jamaica, W.I.

Clinton Hart & Co.  
Attorneys-at-Law  
58 Duke Street  
Kingston, Jamaica, W.I.

Symone Mayhew  
Attorney-at-Law  
17 Herb McKinley Drive,  
Kingston 6, Jamaica, W.I.

Hylton Powell  
Attorneys-at-Law  
11a Oxford Road  
Kingston 5, Jamaica, W.I.

Hart Muirhead Fatta  
Attorneys-at-Law  
53 Knutsford Boulevard  
Kingston 5, Jamaica, W.I.

# Current Board Profile

Reflected at time of Publication

## Damian Obiglio

Appointed Director and Chairman of the JPS Board of Directors, effective April 8, 2023. Mr. Obiglio is an energy executive with over 30 years of international experience, serving in senior leadership roles across the Americas, Middle East, and India. He is currently Senior Vice President, Caribbean Operations, Marubeni Power International Inc.; Director, South Jamaica Power Co. Ltd.; and Director, Power Generation Company of Trinidad and Tobago Ltd. (PowerGen), where he serves on the Audit Oversight Committee. Director Obiglio holds a Magister in Administration from Instituto Tecnológico de Buenos Aires (ITBA), is a Certified Public Accountant (CPA) from Universidad Católica Argentina (UCA), and is a graduate of the Advanced Management Program (AMP) at Harvard Business School.

## Dennis Morgan

Director Morgan has held executive and leadership positions including CEO of Protection and Security Ltd., and Executive Vice President and Group Investment Controller of Jamaica Mutual Life Insurance Company Ltd. He has served on the Jamalco Board and was Chairman of the Operating Committee. Director Morgan has also served on several public and private sector boards, including National Commercial Bank Jamaica Ltd., Petrojam Ltd., and the National Solid Waste Management Authority.

## Hon. Charles Johnston, OJ, CD

Director Johnston is Executive Chairman of Jamaica Fruit and Shipping Co. Ltd. and its subsidiaries. He joined the Board of Jamaica Producers Group in 1975 and became Chairman in 1986. He chairs the Board's Executive and Compensation & Human Resources Committees, and serves on the Audit and Corporate Governance Committees. Director Johnston is also Chairman of Geest Line Ltd., Seaboard Freight & Shipping Jamaica Ltd., Lennox Portland Ltd., Jamaican Patties Ltd., Hoogesteger B.V., and JP Logistics Solutions Ltd., and is a Director of Pan Jamaica Group Ltd., Kingston Wharves Ltd., SAJE Logistics Infrastructure Ltd., German Jamaica Ship Repair Ltd., and Kingston Logistics Centre Ltd.

## Hon. Danville Walker, OJ, JP

Director Walker is Senior Vice President of West Indies Petroleum Ltd. and holds a Masters in Business Administration, a Bachelor of Business Administration, and is a Certified Public Accountant. He has held several senior leadership positions including National Project Director in the Ministry of Economic Growth and Job Creation, Group Managing Director at ATL Industrial Group, and Commissioner of Customs at the Jamaica Customs Department. Director Walker is a former member of the Electoral Commission of Jamaica, where he served as Director of Elections, and was awarded the Order of Jamaica for his contribution to the reform of the Electoral System. He currently chairs the Board of Trade Board Ltd. and the Project Monitoring Committee of the Caymanas Track Ltd.

## Mohamed Majeed

Director Majeed is Director and Chairman of the Operations Committee, Jamaica Public Service Co. Ltd.; Director of South Jamaica Power Co. Ltd.; and Director and Chairman of the Management Committee, Power Generation Company of Trinidad and Tobago Ltd. (PowerGen). He also serves as Chief Operating Officer, Marubeni Power International; Managing Director, Caribbean Operations; and President and Chief Executive Officer, MaruEnergy Caribbean. Director Majeed holds a BSc in Engineering from the University of Maryland, College Park, and an MSc in Engineering Management from the University of Maryland, Shady Grove. He is a Veteran of the United States Air Force.

## Minna Israel, CD, LLD (Hon)

Director Israel is Chair of the Audit Committee of Jamaica Public Service Co. Ltd. She serves as a Board Member of First Global Bank, RJRGleaner Communications Group, Cari-Med Group, Stanley Motta Ltd., Mona School of Business & Management, and Quadrant Home Developers Ltd. Director Israel holds a BSc in Management Studies, an MBA, and an Honorary Doctor of Law.

## Ha Kyoung Song

Director Song is Director of Jamaica Public Service Co. Ltd.; Director and Chairman of South Jamaica Power Co. Ltd.; and Managing Director of Korea East-West Power Co. Ltd. He holds an MSc in Plant Engineering and a BSc in Electrical Engineering. Director Song has over 30 years of experience in the energy industry, spanning the construction, operation, and maintenance of thermal power plants.

## Sang Ho Lee

Director Lee is Director of Jamaica Public Service Co. Ltd.; Alternate Director of South Jamaica Power Co. Ltd.; and Senior Executive, Korea East-West Power Co. Ltd. He holds an MBA from the Seoul School of Integrated Sciences & Technologies, an MSc in Technology Management from the State University of New York at Stony Brook, and a BSc in Electronics, Information and Communication Engineering from Konkuk University. Director Lee has over 20 years of experience in power generation project development, engineering, and operations.

## Nadani Chung

Director Chung is a Finance Professional and Business Consultant with over 28 years of executive management experience across retail, trading, hospitality, insurance, and fund management organizations. She is currently Group Chief Financial Officer at Supreme Ventures Ltd. Director Chung holds a Bachelor of Science in Economics and Accounting from the University of the West Indies and an MBA from Nova Southeastern University.

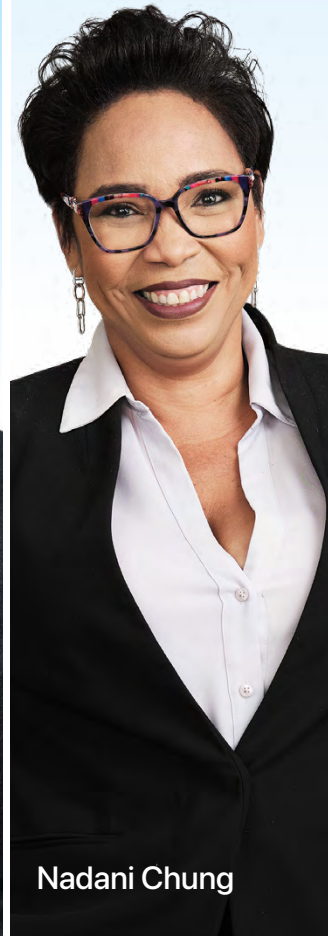


# BOARD OF DIRECTORS

as at April 30, 2025



Damian Obligio  
Chairman



Nadani Chung



Minna Israel, CD,  
LLD (Hon)



Hon. Charles  
Johnston, OJ, CD



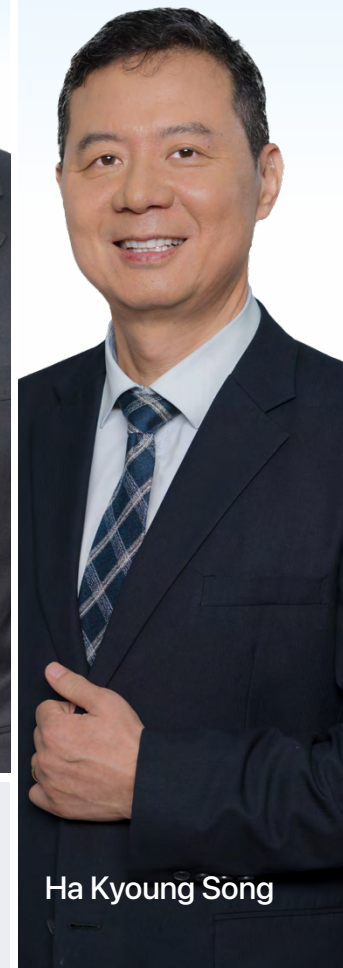
Sang Ho Lee



Mohamed Majeed



Dennis Morgan



Ha Kyoung Song



Hon. Danville  
Walker, OJ, JP



# Alternate Directors



Hyung Chae Yang



Keisuke Harada



Yeong Gun Lim

Appointed March 14, 2025

Hyung Chae Yang, EWP | Alternate Director for Ha Kyoung Song  
 Keisuke Harada, MaruEnergy | Alternate Director for Mohamed Majeed  
 Yeong Gun Lim, EWP | Alternate Director for Sang Ho Lee

# Directors’ Report

The Directors of the Jamaica Public Service Company Limited submit herewith their Annual Report with the Audited Financial Statements for the year ended December 31, 2024:

	THE GROUP		THE COMPANY	
	Year ended December 31, 2024 US\$'000	Year ended December 31, 2023 US\$'000	Year ended December 31, 2024 US\$'000	Year ended December 31, 2023 US\$'000
OPERATING REVENUES	1,092,836	1,072,811	1,084,210	1,063,875
Profit before Taxation	82,236	90,746	81,272	97,224
Taxation	(20,353)	(22,591)	(20,132)	(22,223)
Net Profit attributable to shareholders	61,883	68,155	61,140	75,001
Dividends on Preference				
Classes ‘B’ through ‘E’	1	1	1	1
Class ‘F’	2,339	2,333	2,339	2,333
Dividends on Ordinary Shares	29,500	31,000	29,500	31,000

**Dividends:** The dividends for the year on the preference shares for Classes B-F have been paid in full; Dividends were declared and have been paid on the ordinary stocks and shares for the year 2024.

**Auditors:** In accordance with Section 154 of the Companies Act, a resolution proposing the appointment of the Auditors and for the Directors to fix the Auditors’ remuneration will be put to the Annual General Meeting.

**Directors:** In accordance with Articles 117 and 119 of the Company’s Articles of Incorporation, Director Charles Johnston, C.D., O.J.. having been appointed to the Board shall cease to hold office and being eligible, offer himself for re-election. Additionally, in accordance with Articles 62, 86 and 123 of the

Company’s Articles of Incorporation, Director Sang Ho Lee, and Yeong Gun Lim (Alternate Director), having been appointed to the Board since the last Annual General Meeting shall cease to hold office and being eligible, offer themselves for election.

In 2024, Jamaica and by extension the Company, was not spared from the negative impact of climate change. The Directors acknowledge the response of Management together with the support of the staff and external resources to the devastating impact of Hurricane Beryl. The unwavering effort of these dedicated and resilient team members was commendable and the Directors express their gratitude as the Company weathered the storm – “Powering What Matters”.



EXECUTIVE LEADERSHIP TEAM

Hugh  
Grant



Hugh Grant  
President &  
Chief Executive Officer

Vernon  
Douglas



Vernon Douglas  
Chief Financial Officer

Charmaine  
Heslop-  
DaCosta



Charmaine Heslop-DaCosta  
Senior VP, People Operations

Blaine  
Jarrett



Blaine Jarrett  
Senior VP, Energy Delivery



Joseph  
Williams



Joseph Williams  
Senior VP, Generation  
Resigned February 28, 2025

Melanie  
Gilchrist



Melanie Gilchrist  
Senior VP, Legal, General Counsel  
& Corporate Secretary

Pia  
Baker



Pia Baker  
Senior VP, Customer Experience  
and Commercial

Earl  
Manning



Earl Manning  
Chief Technology Officer  
Resigned February 28, 2025





Popular Dancehall entertainer and JPS Brand Ambassador, Ding Dong, walks through some of the features of the MyJPS Mobile App with a customer.

EMPOWERING CUSTOMERS, ONE TAP AT A TIME

Through the 'Appiness' Campaign, we made it easier for customers to connect, manage, and control their energy experience — putting power at their fingertips and service in their hands.





# Corporate Governance Framework

Grounded in the principles of transparency, accountability, responsibility, fairness and integrity, the Board of Directors has established a governance framework that promotes ethical practices, and aligns governance policies with best practices in stakeholder engagement, procurement, risk management and financial reporting. Under the Company's governance framework its Corporate Governance Guidelines, Audit Committee Charter and Terms of Reference for its Operations Committee, are bolstered by a suite of policies approved by the Board including the Code of Ethics and Business Conduct, Environmental Policy Statement together with the Environmental Social Governance Statement, Whistleblower Policy, Enterprise Risk Management Policy (and risk appetite statements), Business Preparedness Recovery Policy, and the Sexual Harassment Workplace Policy. The Board of Directors last reviewed and approved the Corporate Governance Guidelines on June 27, 2023. Our Corporate Governance Guidelines are available on our website at: [www.myjpsco.com](http://www.myjpsco.com).

Investors may communicate with the Company through [companysecretary@jpsco.com](mailto:companysecretary@jpsco.com).

## Governance Structure

The Board of Directors is led by the Chairman and supported by the Company Secretary. The President & Chief Executive Officer who leads the management team discharges a separate function from the Chairman of the Board.

### **Governance Roles and Responsibilities** *The Board*

In establishing the strategic direction of the organization, the Board of Directors remains mindful of the interest of all stakeholders – customers, employees, shareholders, the regulators and the communities which it serves. Despite overseeing Management's implementation of the strategic and operational objectives, the Board remains accountable for the success and failures of the organization. As such, the Board ensures that it remains informed of developments and risks, and is always aware of the environmental factors; at all times positioned to respond appropriately to change. Additionally, the Board ensures the deployment of adequate human capital, through its responsibility for direct employment and by extension, through its oversight of the Executive Management Team.

The Board is responsible for the appointment of officers of the Company and for ensuring adherence to a suitable succession planning framework; safeguarding continuity of management. By virtue of Article 135 of the Company's Articles of Incorporation, the Board elects Officers of the Company with the EWP (Barbados) 1, SRL and MaruEnergy (JPSCO) I, SRL, reserving the right under Article 136 to designate the President & Chief Executive Officer. These functions to appoint and set the remuneration of persons appointed to these positions has not been delegated by the Board to any other Committee. The President & Chief Executive Officer, however, in conjunction with the Board appoints other members of

the Executive Leadership Team. Persons appointed to the Executive Leadership Team are persons with a high standard of expertise, integrity and significant experience in the particular area.

With the appropriate team in place, the obligation to sustain the Company's viability necessitates the Board's oversight of the overall performance of the Company which is typically measured against the agreed strategic key performance indicators. During the reporting period, these indicators focused primarily on safety of people internal and external to the organization as well as property, employee engagement and customer satisfaction and the efficient and reliable delivery of electricity at the most affordable rates. In so doing, the Company realized successes and learnt from those areas wherein improvement was attainable.

### *Chairman*

The Chairman is essential to the smooth running and effectiveness of the Board in developing and overseeing the implementation of the Company's strategies. He represents the Company externally and determines the order of the board agenda. His role is also important in maintaining excellence as an organisation, as we hold true to the Company's core values and balance the interests of the stakeholders.

### *Company Secretary*

Ms. Melanie A. Gilchrist, is the appointed Company Secretary of the Company. The Companies Act gives specific rights to a Company Secretary in order to ensure the compliance of the Company and the Board of Directors with the relevant laws, rules & regulations.



Additionally, the Company Secretary guides the Company on corporate governance practices and oversees compliance with the resolutions passed by the Board and the shareholders at General Meetings. She also provides support to the Board in arranging Directors' training and onboarding for newly appointed Directors.

### President & Chief Executive Officer

The Office of the President & Chief Executive Officer is the highest-ranking employee within the organization and reports to the Company's Board of Directors. The core function includes setting and executing the strategies of the Company, and leading the Executive Leadership Team. The Office must possess strong communication skills, great leadership acumen, and unparalleled passion for the organization and its people. These are qualities found in the persons appointed to the position during the period under review.

### About the Board of Directors

As provided for in Articles 85 and 86 of the Company's Articles of Incorporation, the Board is comprised of nine (9) members, three (3) of whom are to be nominated by EWP (Barbados) 1, SRL, three (3) by MaruEnergy (JPSCo) I, SRL, and three (3) by the Government of Jamaica acting through its appointed shareholders on record for the Company. This right of nomination enshrined in the Company's Articles of Incorporation and the absence of a nomination committee has not impaired the quality or diversity of the Board. In exercising their right under the Articles of Incorporation to fill vacancies on the Board, the Directors receive and consider the qualification, experience and expertise of each nominee against the background of the existing membership. This assessment ensures that suitable nominees are appointed who are not only capable of discharging their duties as Directors but who also represent the interests of the key stakeholders and whose appointment safeguards adherence to the overall commitment to diversity in age, gender and composition, and to maintain the balance of competencies

required to effectively govern the organisation. During the period under review, the Board chaired by Mr. Damian Obiglio possessed diverse expertise included in engineering, finance and audit, strategic management, banking and risk management. These skillsets no doubt facilitate informed and strategic decision-making. The present diversity enables the Company to identify and satisfy the needs of its wide cross-section of customers and shareholders, while leveraging the benefit of international experience in a continuously evolving industry. Additionally, albeit appointed for a term of three (3) years, Directors are not grouped into classes who serve terms of different lengths.

Additionally, in keeping with the Company's Corporate Governance Guidelines, as at December 31, 2024, five (5) of the nine (9) Directors are Independent Directors. For the reporting period the Chairman oversaw the vacant role of the President & C.E.O. from February 5, 2024 to July 31, 2024 while the position was being filled. An "Independent Director" is defined within the Company's Corporate Governance Guidelines as a Director who: (a) has not been employed to the Company with the last five (5) years; (b) has not had any material business relationship with the Company (outside of being a customer of the Company) either directly, or as a partner, or as a significant shareholder, director or officer of a body that has had such a relationship with the Company within the last five (5) years; (c) is not affiliated with any non-profit organisation that receives significant funding from the Company; (d) is not employed as senior management of another company where any of the Company's Directors or senior management serve on that company's board; (e) has not received additional remuneration from the Company apart from the Board or Board Committee related fees. Independent Directors who experience any changes in circumstances that could affect their status as an Independent Director are obligated to disclose such change in writing to the Chairman of the Company's Board.

During the reporting period, the Executive Management Team delved into the operation of the business and key issues impacting key stakeholders such as customers and shareholders. This was done through not only the seven (7) scheduled meetings of the Board of Directors but also through the meetings of the Committees, as well as outside of formal meetings as matters of importance arose which necessitated communication throughout the year. This level of open, informed dialogue between Management and the Directors facilitated an environment for the development of pertinent strategies, and timely responses to threats and opportunities.

## Service of Directors

Director	Service Year 2024			Service Year 2025
	Status	No. of Board Meetings Eligible to Attend	No. of Board Meetings Attended	Status
Damian Obiglio (Chairman)	NI	7	7	Director
Mohamed Majeed	NI	7	6	Director
Yun Suk Choi <small>Appointed January 12, 2024-March 13, 2025</small>	NI	7	7	Director
Ha Kyoung Song	NI	7	7	Director
Dennis Morgan	I	7	7	Director
Hon. Danville Walker, OJ, JP	I	7	7	Director
Minna Israel, CD, LLD (Hon.)	I	7	7	Director
Hon. Charles Johnston, OJ, CD	I	7	7	Director
Nadani Chung	I	7	7	Director
Sang Ho Lee <small>Appointed Alternate Director January 12, 2024 - March 13, 2025</small> <small>Appointed Director March 14, 2025</small>	NI			Alternate Director  Director
Hyung Chae Yang <small>Resigned as Director January 11, 2024</small> <small>Appointed Alternate Director January 12, 2024</small>				Alternate Director
Keisuke Harada			1	Alternate Director
Yeong Gun Lim <small>Appointed March 14, 2025</small>				Alternate Director
Jin Kyo Kim <small>Replaced as Alternate Director - January 12, 2024</small>				

Non-independent (NI)\*  
Independent (I)\*\*



With the exception of one (1) meeting at which eight (8) of the nine (9) Directors were present in person and one (1) Director was represented by his Alternate, each meeting of the Directors during the reporting period was attended by 100% of Directors.

Remuneration

The Company’s shareholders have enshrined in the Articles of Incorporation the compensation payable to Directors for their service in that role. In accordance with Article 101 of the Company’s Articles of Incorporation, Directors who are not employed to either EWP (Barbados) 1, SRL or MaruEnergy (JPSCO) I, SRL receive a fixed amount equivalent to US\$1,000 for attendance at each Board or Committee meeting, and any other meeting requiring a director’s attendance. Directors who are employed to either EWP (Barbados) 1, SRL, MaruEnergy (JPSCO) I, SRL, or their affiliates, receive no compensation from the Company in respect of their service to the Company in the capacity of Director of the Board of the Company. Regardless, in its usual operation, all Directors of the Board are non-executive directors.

Induction and Training

It is imperative that all Directors joining the Board are provided with sufficient knowledge and training as to the Company’s policies, guiding principles and overall operations. As such, the Company Secretary ensures that each new member is provided with the requisite documentation and access to information concerning their role and the organisation as a whole. The induction package received by such members includes at a minimum a copy of the Company’s Articles of Incorporation, Corporate Governance Guidelines, Terms of Reference and Charter for the Committee on which he or she is appointed, Code of Ethics and Business Conduct, and general information concerning the fixed remuneration payable, conduct of meetings and the overall responsibility of the Director. Additionally, members of the Executive Leadership Team and other representatives engage inductees in onboarding sessions.

The Board’s Corporate Governance Guidelines require the participation of the Directors and the members of the Executive Leadership Team in training programmes. In November 2024 at its strategic retreat, the Board incorporated training geared towards sexual harassment in the workplace and leveraging the use of artificial intelligence in the Company’s operations . All members of the Board and the Executive Leadership actively participated in these sessions.

Performance Evaluation

In December 2024, an external consultant was engaged to evaluate the performance of the Board for the period under review. One hundred percent (100%) of Directors participated in the performance evaluation process. The consultant evaluated the overall performance of the Board and Committees including the conduct of and preparation for meetings, the composition of the Board and governance. It was observed that the Board benefits from significant strengths, including the talent, expertise, experience and diversity of its members, as well as appropriately scheduled and coordinated meetings which occur with satisfactory frequency. There were, however, observed areas for improvement including the focus on succession planning, policy and strategic growth

As regards, Management, the Board assesses the performance of the President & Chief Executive Officer who in turn assesses and analyses the performance of the remaining members of the Executive Leadership Team and in conjunction with its People Operations team, establish such succession planning mechanism for the Company. This evaluation occurs annually and is measured against the goals established against the Company’s strategic objectives for the period.

Committees of the Boards

Given the nature of the business and the size of the Board, the Board has two Committees; the Audit Committee and the Operations Committee. These Committees enable the Board to effectively oversee the technical operations of the organisation as well as the risk exposure, controls, and overall efficiency. With the shareholders fixing the remuneration of the Board and Committee members under Article 101 of the Articles of Incorporation and the responsibility for the designation of the Chief Executive Officer to the majority shareholders under Article 136, a nomination committee has not been established.. Furthermore, oversight of overall governance is delegated to the Audit Committee.

Audit Committee

The primary responsibility of the Audit Committee as established by its Charter are oversight of the following areas:

- 1. Reliability and integrity of accounting policies and practices and the Company’s financial statement;
- 2. Qualification, independence and performance of the external auditors of the Company;
- 3. Performance of the internal audit function;
- 4. System of internal controls and procedures established by management and reviewing their effectiveness; and
- 5. Risk management functions and processes of the Company.

Additionally, the Audit Committee was also charged with the governance responsibility to periodically review major policies of the Company relating to corporate governance, ethics and conduct, insider trading, and conflicts of interest, as is necessary. This role also includes the review of the process for communicating the code of conduct throughout the Company and the monitoring of compliance therewith.

In exercising its oversight of the strategic risk management framework and internal controls the Committee, with the support of the internal audit and risk management functions examined the following and, where relevant, recommended to the Board for approval:

- Adherence to Management established controls to prevent, detect and mitigate fraud risks.
- Management accounts for the Company



- Audited Financial Statements
- Engagement Letter of the External Auditors
- External Audit Fees
- Internal Audit Plan which guides the activities of the Internal Audit Department.
- Internal Audit Reports
- Business Continuity targeting most critical systems and corresponding vulnerability.
- Examination Reports and Management Response
- Connected Party list and transactions
- Compliance Reports
- Management Letter from the External Auditor
- Audit Committee Charter
- Exposure under the Data Protection Act.
- Enterprise Risk Management
- Code of Ethics and the measures to monitor compliance therewith

As delegated by the Board, the Audit Committee has control over the internal audit function. The internal audit function is exercised through the Internal Audit Department which is led by the Director, Internal Audit.

The Internal Audit Charter is periodically reviewed and, as necessary, revisions are approved by the Audit Committee. The Board of Director last reviewed and amended the Audit Committee Charter on February 23, 2022.

In keeping with the Company's Audit Committee Charter, the Committee is comprised of six (6) members of the Board, the majority of whom are Independent Directors, including the position of Chair who is appointed by the Board. All members of the Audit Committee are Non-Executive Directors, that is to say, Directors who are not employed to the Company and are therefore not normally responsible for aspects of the Company's day to day operations. As mandated by the Audit Committee Charter, the Committee is comprised of members who possess the skills commensurate with the operation of the Company and the type of transactions in which the Company engages. All members are also Financially Literate, as defined in the Audit Committee Charter, and has amongst its membership at least one (1) member who is a Financial Expert as defined in the said Charter. The Committee is mandated to meet at least four (4) times in each calendar year.

Members of the Audit Committee 2024			
Director	Status	No. of Meetings Eligible to Attend	Meetings Attended
Minna Israel (Chair)	I	4	4
Nadani Chung	I	4	4
Yun Suk Choi	NI	4	4
Mohamed Majeed	NI	4	4
Charles Johnston	I	4	4
Dennis Morgan	I	4	4

Independent (I)\*  
Non-Independent (NI)\*\*

During the reporting period one hundred percent (100%) of the Directors attended the meetings. All meetings were convened with a majority of independent directors present.

- Other attendees at the Committee's meeting include:
- JPS Board Chairman
  - President & CEO
  - Chief Financial Officer (to whom the Manger, Risk & Insurance reports administratively)
  - Financial Controller
  - Company Secretary
  - Director, Internal Audit
  - Other executives or managers as required
  - Representatives of the Company's external auditor, KPMG, attend Committee meetings as needed.

Prior to the adjournment of Audit Committee meetings, where the circumstances so dictate, the Chair of the Committee meets independently with the Internal Auditors (Executive Session) to discuss any areas of concern.

The Audit Committee through the Internal Audit function monitored the established controls through its various programmes to determine whether they are operating effectively and whether these and other risks are being appropriately managed. The Internal Audit function provides regular reports to the Audit committee in relation to the results of its Audit programmes and reviews undertaken throughout the year. There were no identified instances of suspected fraud or misconduct or unethical behaviour relating to financial reporting in the period under review.

The Committee's Charter was last reviewed by the Board on February 23, 2022 and is available on our website at: [www.myjpsco.com](http://www.myjpsco.com).

# Operations Committee

Established pursuant to Article 131 of the Company's Articles of Incorporation, the Operations Committee provides management with technical advice to the officers of the Company with respect to the day-to-day management of the Company, subject to the powers, authority, direction and control of the Board and the terms of the Articles. The Committee is comprised of six (6) members. Pursuant to Article 131 of the Company's Articles of Incorporation of the Company, each of Prime Shareholders – EWP (Barbados) 1, SRL, MaruEnergy (JPSCO) I, SRL, and the Government of Jamaica acting through its nominee – nominates two (2) members to the Committee.

Pursuant to its mandate captured in the Terms of Reference approved by the Board on December 1, 2022, during the year under review, the Committee analysed the performance of the Company against the established key performance indicators in several areas. These areas included, leading and lagging safety performance indicators related to injury or potential injury to persons and damage to property, the operational performance of the generation fleet and the Company's ability to meet the present and expected future energy demand of its customers, the reliability performance of the transmission and distribution grid, new generation projects, the Company's compliance with the environmental regulations, permits and licences, system losses and the initiatives formulated to stymie the growth of loss, the execution of major capital projects, the Company's response to Hurricane Beryl and other major weather systems, as well as how the Company serves and communicates with its customers.



In addition to the overall wellbeing of the employees, the Board, through the Committee, considered the health and safety of its employees and the public at large, especially having regard to the inherent danger of the electric utility business. Following each meeting the Chairman submits a report to the Board for information and deliberation as desired.

The table below depicts the participation of each member in the six (6) meetings scheduled during the reporting period. Details of the Committee’s Terms of Reference are available on our website at: [www.myjpsco.com](http://www.myjpsco.com).

Members of the Operations Committee 2024			
Director	Status	No. of Meetings Eligible to Attend	Meetings Attended
Mohamed Majeed	NI	6	6
Ha Kyoung Song	NI	6	6
Hon. Danville Walker, O.J., J.P.	I	6	6
Dennis Morgan	I	6	6
Keisuke Harada	NI	6	6
Yun Suk Choi***	NI	6	4
Non-Independent (NI)* Independent (I)** ***Director Choi was represented at two (2) meetings by his Alternate Mr. Sang Ho Lee.			

During the reporting period all meetings of the Committee were attended by 100% of Directors who either appeared in person or by their alternate in keeping with the Company’s Articles of Incorporation. Of note, given the extent of the impact of Hurricane Beryl on the operation of the Company, all other members of the Board were invited to, and did attend, one meeting of the Operations Committee which primarily focused on the impact of Hurricane Beryl and the grid restoration/ rebuild activities.

- Other invitees to Committee meetings include:
- JPS Board Chairman
  - The President & CEO
  - Ms. Melanie Gilchrist –Company Secretary
  - Other Members of the Executive Leadership Team

# AGM 2024

## Annual General Meeting

The annual general meeting of the Company was last convened on June 26, 2024. The meeting was properly constituted in accordance with Article 63 of the Company’s Articles of Incorporation and presided over by the Chairman of the Board, Mr. Damian Obiglio. The meeting occurred during a transition period for the Company, specifically the role of the President & C.E.O. became vacant and was temporarily held by Mr. Obiglio who acted as President & C.E.O. during this transitional period. The attendees at the meeting also included other members of the Management team (including the Chief Financial Officer, SVP Legal, General Counsel & Company Secretary, Chief Technology Officer, SVP Customer Experience, SVP Generation, and SVP People Operations), representatives of the Auditors, KPMG.

In addition to the Chairman, five (5) of the then sitting Directors namely, Director Israel, Director Morgan, Director Song, Director Chung and Director Majeed observed the proceedings. All business for which notice was given to be transacted at the meeting was conducted, including but not limited to the passing of resolutions to approve the audited financial statements for the year ended December 31, 2023 together with directors’ report, approval and ratification of the declaration and payment of dividends on ordinary shareholdings, the appointment and remuneration of auditors and the appointment of directors and alternate directors. Members of the Company were also given the opportunity to ask questions and make comments.

Minutes of the meeting may be available in accordance with the Companies Act of Jamaica and the policies of the Company through the [companysecretary@jpsco.com](mailto:companysecretary@jpsco.com).






## SERVING COMMUNITIES, EMPOWERING FUTURES

In 2024, JPS deepened its commitment to communities across Jamaica — from expanding our Back-to-School programme to providing relief and support where it was needed most. Every act of service helped strengthen the bonds that power our nation forward.







PROGRESS MEANS  
MORE WHEN IT'S  
BUILT TO LAST. OUR  
COMMITMENT TO  
**SUSTAINABILITY,**  
**COMMUNITY,** AND  
**GOVERNANCE**  
ENSURES EVERY  
STEP WE TAKE  
TODAY STRENGTHENS  
JAMAICA'S TOMORROW.  
TOGETHER, **WE SHINE.**

# Corporate Compliance

## JPS Code of Ethics & Business Conduct

The Company's Code of Ethics and Business Conduct (the "Code") was last reviewed and approved by the Board on March 20, 2024. The Code is designed to provide guidance and set common ethical standards to promote consistency in behaviour across all levels of employment, build trust amongst stakeholders, ensure compliance with applicable laws and provide a mechanism by which ethical violations and concerns may be reported without reprisal. The Code also protects employees against all forms of harassment, intimidation or discrimination based on disability, gender, skin colour, age, religion, national origin, pregnancy, and marital status, to name a few areas.

The Compliance Officer periodically reviews and recommends to the Audit Committee, updates to the Code. In ensuring that all members of staff and Directors are aware of their obligations and appropriate actions to be taken under the Code, the Compliance Officer also conducts training and sensitization sessions. This educational programme is delivered via push and pull communications, live sessions and annual roadshows across the island, all aimed at providing information and facilitating discussions on the key and/or revised areas of the Code. Where applicable, the necessity for adherence to an ethical code of conduct in doing business with the Company is a contractual obligation imposed on third party service providers. Through its Annual Questionnaire, all employees, members of the Board and its Committees are given an opportunity to report on instances of breaches of the Company's policies and procedures and the law without fear of retribution. Employees and Directors are also required to report actual or perceived conflicts of interest via the Declaration of External Interest Form where any such conflict may or does arise. This is an ongoing obligation through the year. In addition to the ethics hotline number, employees are also able to anonymously make reports via a newly implemented compliance hub.

The Code is explicitly made available to all members of staff and Directors and is available on our website at:

[www.myjpsco.com](http://www.myjpsco.com).



# Our Policies & Practices

JPS is a regulated energy Company, governed by the applicable laws and regulations of Jamaica, as well as by international standards and best practices. The Company is also guided by a set of policies and procedures that provide a framework for effective decision making and ensure accountability to team members, customers, business partners, shareholders and other stakeholders.



## Code of Practice

The purpose of the JPS Code of Practice is to set out the principles, requirements, services and actions a customer can reasonably expect from JPS. The document is provided as a guideline to which customers can refer as a means of identifying their rights and obligations. It outlines the JPS Service Promises, Ethical Values, the Service Standards set by the Regulator, as well as guidance on how to do business with the Company. The Code of Practice is complemented by the Terms and Conditions of Service.



## Occupational Health, Safety & Environmental (OHSE) Policy

Safety is a Core Value for us at JPS. Our Occupational, Health, Safety & Environmental Policy aims to promote an accident-free organization that operates in an environmentally sound manner. We are committed to a culture of safety, protecting our people, operations, processes and the environment.



## External Communications Policy

JPS is cognizant of the critical nature of the essential service it provides, and the importance of communication with all stakeholders in carrying out its obligations as the only licensed electricity distribution company in Jamaica. The Company is committed to promoting the truth; dispelling falsehoods; engaging with and educating customers to facilitate smooth business; and maintaining vital connections with key stakeholders.

JPS' External Communications Policy establishes a suitable set of controls to be implemented, monitored, reviewed and improved, where necessary, to ensure that accurate, timely, empowering and useful information is disseminated to all external stakeholders. JPS consistently seeks and utilises customer feedback to improve its communication, and ensure that the appropriate channels are being used to get the information to the respective audience segments.



## Human Resource Development Policies & Practices

### *Engagement and Communication*

JPS has been deliberate about engaging employees, using all mediums available to them, along with traditional email platform and meetings. The Company has implemented a corporate social platform for employees to share their accomplishments, provide project updates to the business and recognize each other.

The Executive Leadership engages employees in face to face and online sessions, sharing Company updates and engaging in feedback sessions. Weekly Talking Points are provided to Team Leaders, who are required to provide regular updates to their teams, ensuring that information is cascaded down to all levels, and opportunities provided for feedback.

### *Succession Planning*

A comprehensive programme has been implemented to support business continuity in alignment with our Corporate Risk Register. Business critical roles, as well as those impacted by pending retirements, have been earmarked for clear successors. A targeted development programme is being implemented to address and reduce potential gaps in knowledge and experience, as well as build the leadership skills needed for managerial roles.

### *Performance Management and Reward & Recognition*

JPS has a culture of performance management across the business. Goal setting and appraisals are aligned with the corporate strategic objectives. Reward and recognition are done at all levels across the organization, and all leaders are empowered to recognize team and individual performance.

### *Employee Health & Wellness*

Significant emphasis is placed on mental health and work-life balance. JPS has a robust Health and Wellness programme that facilitates healthy competition among employees, and participation in a range of wellness activities, to include 5K Runs/Walks, and Forest Trek hiking activities.

### *Union Partners*

JPS has been able to maintain a stable environment with our four (4) union partners through engagement and consultation. Greater engagement and increased sharing of information with employees and Union representatives

have led to a more transparent working environment.

### *Facilities Management*

Several key initiatives are being undertaken to improve our employee and customer service environments. Some work environments were renovated in 2024 to enhance employee comfort and improve service delivery.

### *Learning & Development*

Through its Learning and Development Institute (LDI), JPS provides ongoing learning opportunities for all employees. Training courses are delivered in person and online.

### *Education and Benefits*

JPS provides scholarships for continuing education to its employees. These scholarships are available to both fixed-term and permanent employees. Children of employees are also offered scholarships, with provision for children with special needs.

### *Security Management*

The security of our people and property has always been a top priority. Internal personnel and third parties provide coverage across the island, securing our valuable assets. Employees were provided with security tips and reminders throughout the year.

### *Internal customer service delivery*

To improve responsiveness to employee queries and concerns, a Shared Services Unit was created within the People Operations Division. This has streamlined the communication and resolution of employee requests, resulting in faster response rates. Digitization of the related processes through the Business Transformation Office has facilitated the creation of dashboards to monitor performance and address bottlenecks as they occur.



# ESG Commitment

## Environmental, Social & Governance

At JPS, we are passionate about what we do and how we impact our community and, by extension, our environment. By embracing sustainable practices, fostering social responsibility, and upholding strong governance principles, we aim to make a meaningful and lasting impact on our environment, society, and business. In keeping with our commitment to creating sustainable value for our customers, employees, shareholders, and communities, JPS has embraced the charge towards a cleaner, more radiant future for Jamaica.

### Environmental Compliance

During 2024, we maintained our environmental compliance without any regulatory sanctions from the National Environment and Planning Agency (NEPA) or Water Resources Authority (WRA). The Company commenced data gathering and analysis, and developed key performance indicators under our ESG Programme to support our commitment to improving operational efficiency, promoting the use of renewable energy, reducing greenhouse gas emissions and mitigating climate change.

### Restoration, Preservation & Protection of the Environment

Throughout the year, JPS maintained its partnerships with the Forestry Department and the National Environment and Planning Agency, in support of the preservation and restoration of natural habitats. Our initiatives included tree planting, mangrove restoration, and beach clean-up activities. In 2024, under our Environmental Stewardship Programme, the Company on June 22 hosted a beach clean-up in Kingston and collected 2,914.44 lbs of waste. We also planted 843 trees islandwide, and commenced the first "Adopt-a-Trail" partnership with Forestry Department in the Bogue 2 Forest Reserve, St. Ann.

Our employees also planted 300 Mangrove Saplings under the "Adopt-a-Mangrove" partnership with NEPA.



### Powering Communities

Through the JPS Foundation and our Community Renewal arm, we have established partnerships with international, national, local and community-based organizations to support causes that contribute to positive social, economic and environmental impacts. A true passion for service inspires our dynamic team of Volunteers On Location To Serve (VOLTS), who gave thousands of hours in 2024 to support initiatives in Youth and Community Empowerment, Environmental Protection, Energy Management, and STEM education.

### Good Corporate Governance

Our Company's Board of Directors provides robust oversight and maintains the utmost standards of ethical conduct. We adhere to a foundation of robust governance principles encompassing transparency, accountability, responsibility, fairness and integrity. Our corporate governance policies align with best practices in stakeholder engagement, procurement, risk management and financial reporting.

# Data Privacy & Protection

In 2024, JPS kept the momentum going as we built on the solid foundation established in 2023 to meet the requirements of the Jamaica Data Protection Act (DPA) 2020.

We supported our Data Privacy and Protection Committee (DPPC) — the team at the heart of our privacy compliance efforts. This group, made up of key stakeholders from across the company, provides strategic oversight and ensures that our privacy practices are aligned with the requirements of the DPA, while also helping to drive awareness across the Company.

To further ensure continued focus on the protection of personal data and the privacy rights of our customers and other data subjects, JPS created a role dedicated to Data Privacy and Governance. This role has the responsibility for ensuring that our data privacy practices and compliance efforts continue to evolve in line with legal requirements and best practices in our ever evolving landscape that is data.



*Everton McKenzie, Power Systems Controller, guides a delegation from Barbados through a tour of the JPS Control Room and System Operations Centre. The visit formed part of the delegation's efforts to learn more about Jamaica's energy landscape and JPS' operational practices, as they explore strategies for greater renewable energy integration into their own grid.*



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### INDEPENDENT AUDITORS’ REPORT

To the Members of  
JAMAICA PUBLIC SERVICE COMPANY LIMITED

#### Report on the Audit of the Financial Statements

##### *Opinion*

We have audited the separate financial statements of Jamaica Public Service Company Limited (“the Company”) and the consolidated financial statements of the Company and its subsidiaries (“the Group”), set out on pages 65 to 139, which comprise the Group’s and the Company’s statements of financial position as at December 31, 2024, the Group’s and the Company’s statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at December 31, 2024, and of the Group’s and the Company’s financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Jamaican Companies Act.

##### *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 *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG, a Jamaican partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

Cynthia L. Lawrence	Nyssa A. Johnson	Karen Ragoobirsingh
Rajan Trehan	Wilbert A. Spence	Al A. Johnson
Norman O. Rainford	Sandra A. Edwards	Damion D. Reid
Nigel R. Chambers		





INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of  
JAMAICA PUBLIC SERVICE COMPANY LIMITED

Report on the Audit of the Financial Statements (continued)

Key Audit Matters

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

Valuation of employee benefits asset

Key audit matter

The Group operates a defined benefit pension plan that provides retirement benefits to staff. The valuation of the carrying value of the net defined benefit asset is considered to be an elevated risk.

Given the value of the assets and obligations, small changes in the assumptions can have a material financial impact on the Group's financial statements. The key assumptions involved in calculating employee benefit asset and obligations are discount rates, inflation, future increases in salaries and pensions, mortality rate, retirement and termination.

Management appointed an external actuarial expert in measuring the employee benefit asset and obligations at the reporting date.

The use of significant assumptions increases the risk that management's estimate could be materially misstated.

How the matter was addressed in our audit

Our audit procedures in response to this matter included:

Evaluating the independence and objectivity of the appointed actuarial expert.

Involving our own actuarial specialists in determining that the actuarial valuation was performed in accordance with the requirements of IAS 19 *Employee Benefits*.

Testing employee data provided by management to the actuarial expert.

Assessing key assumptions used by the actuary, including inflation, mortality and discount rates, by comparing them to information from independent sources.

Assessing whether disclosures in the financial statements are appropriate in respect of the Group's employee benefit arrangements.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of  
JAMAICA PUBLIC SERVICE COMPANY LIMITED

Report on the Audit of the Financial Statements (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the 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 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 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 Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.





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## INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of  
JAMAICA PUBLIC SERVICE COMPANY LIMITED

### Report on the Audit of the Financial Statements (continued)

#### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 63-64, forms part of our auditors' report.

### Report on additional matters 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 maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Nigel Chambers.

Chartered Accountants  
Kingston, Jamaica

March 27, 2025



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## INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of  
JAMAICA PUBLIC SERVICE COMPANY LIMITED

### Appendix to the Independent Auditors' report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient 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'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 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.





## INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of  
JAMAICA PUBLIC SERVICE COMPANY LIMITED

**Appendix to the Independent Auditors' report (continued)**

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 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.

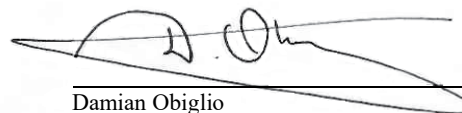
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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.

JAMAICA PUBLIC SERVICE COMPANY LIMITED

Group Statement of Financial Position  
December 31, 2024  
(Expressed in United States Dollars)

	Notes	2024 \$'000	Restated*	
			2023 \$'000	2022 \$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	854,909	838,540	805,539
Right-of use assets	7(a)(i)	411,412	438,019	473,538
Intangible assets	8	17,204	18,236	17,298
Investment in equity-accounted investee	9(b)	82,943	83,245	91,457
Employee benefits asset	10(a)(i)	21,449	27,964	44,285
		<u>1,387,917</u>	<u>1,406,004</u>	<u>1,432,117</u>
<b>Current assets</b>				
Cash and cash equivalents	11	47,654	66,235	60,123
Restricted cash	12	53,751	58,525	54,523
Accounts receivable	13	183,743	172,956	189,423
Due from related parties	19(a)(i)	922	1,106	2,733
Inventories	14	58,244	36,133	33,841
Corporation tax recoverable		-	-	2,819
Asset held for sale	6	2,166	-	-
		<u>346,480</u>	<u>334,955</u>	<u>343,462</u>
<b>Total assets</b>		<u>1,734,397</u>	<u>1,740,959</u>	<u>1,775,579</u>
<b>Shareholders' equity</b>				
Share capital	15	261,786	261,786	261,786
Capital reserve	16	32,398	31,725	13,566
Capital redemption reserve	17	3,000	3,000	3,000
Retained earnings		336,950	310,789	286,745
		<u>634,134</u>	<u>607,300</u>	<u>565,097</u>
<b>Current liabilities</b>				
Accounts payable and provisions	18	136,666	145,863	146,719
Current portion of customer deposits	20	28,768	33,988	31,785
Due to related parties	19(a)(ii)	30,113	32,128	42,698
Lease liabilities	7(a)(ii)	29,523	31,252	28,814
Short-term loan	21(a)	5,000	-	-
Corporation tax payable		5,525	1,516	-
Current portion of long-term loans	21	63,644	56,062	35,713
Employee benefits obligation		-	-	8,992
		<u>299,239</u>	<u>300,809</u>	<u>294,721</u>
<b>Non-current liabilities</b>				
Long - term portion of customer deposits	20	25,823	18,261	14,645
Long-term loans	21	269,899	281,403	335,779
Lease liabilities	7(a)(ii)	445,855	462,691	490,300
Preference shares	22	24,688	24,688	24,688
Deferred taxation	23	6,203	17,032	22,189
Decommissioning provision	24	28,556	28,775	28,160
		<u>801,024</u>	<u>832,850</u>	<u>915,761</u>
<b>Total liabilities</b>		<u>1,100,263</u>	<u>1,133,659</u>	<u>1,210,482</u>
<b>Total shareholders' equity and liabilities</b>		<u>1,734,397</u>	<u>1,740,959</u>	<u>1,775,579</u>

The financial statements on pages, 65 to 139 were approved by the Board of Directors on March 27, 2025, and signed on its behalf by:

  
Damian Obiglio Chairman

  
Minna Israel Director

\*See note 34

The accompanying notes form an integral part of the financial statements.



JAMAICA PUBLIC SERVICE COMPANY LIMITED

Group Statement of Profit or Loss and Other Comprehensive Income  
Year ended December 31, 2024  
(Expressed in United States Dollars)

	Notes	2024 \$'000	Restated* 2023 \$'000
Operating revenue	25	1,092,836	1,072,811
Cost of sales	26(a)	( 653,718)	( 658,443)
Gross profit		439,118	414,368
Operating expenses	26(b)	( 303,203)	( 265,255)
Impairment loss on trade receivables	13	( 10,058)	( 9,108)
Other income	27(a)	8,793	5,603
Other expenses	27(b)	( 822)	( 1,870)
Operating profit		<u>133,828</u>	<u>143,738</u>
Finance income		8,996	7,137
Finance costs		( 65,895)	( 67,043)
Net finance costs	26(c)	( 56,899)	( 59,906)
Share of profit in equity-accounted investee, net of tax	9(b)	<u>5,307</u>	<u>6,914</u>
Profit before taxation		82,236	90,746
Taxation	28	( 20,353)	( 22,591)
Profit for the year		<u>61,883</u>	<u>68,155</u>
<b>Other comprehensive income</b>			
Items that will never be reclassified to profit or loss:			
Gain on revaluation of property (restated)	5	-	19,057
Remeasurement loss on defined benefit plan	10(a)(v)	( 8,324)	( 21,013)
Tax on remeasurement loss on defined benefit plan	23	<u>2,775</u>	<u>7,004</u>
Other comprehensive loss, net of tax		( 5,549)	<u>5,048</u>
Total comprehensive income attributable to shareholders		<u>56,334</u>	<u>73,203</u>
Earnings per share	29	<u>0.28¢</u>	<u>0.31¢</u>

\*See note 34

The accompanying notes form an integral part of the financial statements.

JAMAICA PUBLIC SERVICE COMPANY LIMITED

Group Statement of Changes in Shareholders' Equity  
Year ended December 31, 2024  
(Expressed in United States Dollars)

	Share capital \$'000 (Note 15)	Capital reserve \$'000 (Note 16)	Capital redemption reserve \$'000 (Note 17)	Retained earnings \$'000	Total \$'000
Balance at December 31, 2022	261,786	18,899	3,000	286,745	570,430
Prior year adjustment	-	( 5,333)	-	-	( 5,333)
Balance at December 31, 2022, as restated	<u>261,786</u>	<u>13,566</u>	<u>3,000</u>	<u>286,745</u>	<u>565,097</u>
Total comprehensive income for the year 2023:					
Profit for the year	-	-	-	68,155	68,155
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Gain on revaluation of property (restated)	-	19,057	-	-	19,057
Remeasurement loss on defined benefit plan, net of tax	-	-	-	( 14,009)	( 14,009)
Total comprehensive income for the year (restated)	<u>-</u>	<u>19,057</u>	<u>-</u>	<u>54,146</u>	<u>73,203</u>
Transfer from capital reserves on disposal of property					
	-	( 898)	-	898	-
Transactions with owners of the Company:					
Dividends [note 30(a)]	-	-	-	( 31,000)	( 31,000)
Balance at December 31, 2023 (restated)	<u>261,786</u>	<u>31,725</u>	<u>3,000</u>	<u>310,789</u>	<u>607,300</u>
Total comprehensive income for the year 2024:					
Profit for the year	-	-	-	61,883	61,883
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement loss on defined benefit plan, net of tax	-	-	-	( 5,549)	( 5,549)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,334</u>	<u>56,334</u>
Transfer from capital reserves on disposal of property					
	-	673	-	( 673)	-
Transactions with owners of the Company:					
Dividends [note 30(a)]	-	-	-	( 29,500)	( 29,500)
Balance at December 31, 2024	<u>261,786</u>	<u>32,398</u>	<u>3,000</u>	<u>336,950</u>	<u>634,134</u>

\*See note 34

The accompanying notes form an integral part of the financial statements.



**JAMAICA PUBLIC SERVICE COMPANY LIMITED**

Group Statement of Cash Flows  
Year ended December 31, 2024  
(Expressed in United States Dollars)

	Notes	2024 \$'000	2023 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the year		61,883	68,155
Adjustments for:			
Depreciation and amortisation	5,7,8	127,921	117,785
Gain on disposal of property, plant and equipment		( 1,564)	( 173)
Amortisation of debt issuance costs	26(c)	183	745
Unrealised foreign exchange losses/(gains), net	26(c)	1,183	( 986)
Interest expense	26(c)	65,095	65,637
Interest income	26(c)	( 8,996)	( 7,137)
Taxation expense	28	28,407	20,744
Deferred tax	23	( 8,054)	1,847
Employee benefits asset		( 2,157)	( 5,521)
Share of profit in equity-accounted investee	9(b)	( 5,307)	( 6,914)
Cash generated before changes in working capital		258,594	254,182
Restricted cash		4,774	( 4,002)
Accounts receivable		( 10,266)	16,964
Inventories		( 22,112)	( 2,292)
Accounts payable and provisions		( 9,701)	( 9,020)
Due from/to related parties		( 1,831)	( 8,943)
Customers' deposits and advances		2,691	6,473
Cash generated from operations		222,149	253,362
Taxation paid		( 24,398)	( 16,408)
Net cash generated from operating activities		197,751	236,954
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sales proceeds from disposal of property, plant and equipment		1,933	1,201
Purchase of property, plant and equipment	5	(102,255)	( 88,560)
Purchase of intangible assets	8	( 1,120)	( 3,397)
Dividends received from investee equity - accounted		5,609	15,126
Interest received		8,408	6,713
Net cash used in investing activities		( 87,425)	( 68,917)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short-term loan received		5,000	-
Long-term loan received		50,000	-
Repayment of long-term loans		( 54,378)	( 33,317)
Payment of lease liabilities		( 32,762)	( 29,150)
Interest paid		( 64,555)	( 65,185)
Dividend paid, including preference shares	26(c), 30(a)	( 31,840)	( 33,334)
Net cash used in financing activities		(128,535)	(160,986)
Net (decrease)/increase in cash and cash equivalents		( 18,209)	7,051
Effect of changes in exchange rates		( 372)	( 939)
Net cash and cash equivalents at beginning of year		66,235	60,123
<b>NET CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>47,654</b>	<b>66,235</b>

\*See note 34

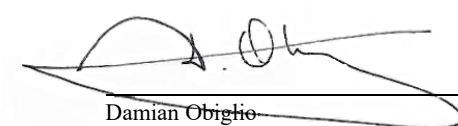

The accompanying notes form an integral part of the financial statements.

**JAMAICA PUBLIC SERVICE COMPANY LIMITED**

Company Statement of Financial Position  
December 31, 2024  
(Expressed in United States Dollars)

	Notes	2024 \$'000	Restated* 2023 \$'000	2022 \$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	854,869	838,501	805,507
Right-of-use assets	7	411,412	438,019	473,537
Intangible assets	8	17,204	18,236	17,298
Investment in subsidiaries	9(a)(i)	46,004	46,004	46,004
Employee benefits asset	10(a)(i)	21,449	27,964	44,285
		<u>1,350,938</u>	<u>1,368,724</u>	<u>1,386,631</u>
<b>Current assets</b>				
Cash and cash equivalents	11	40,464	61,329	57,489
Restricted cash	12	53,751	58,525	54,523
Accounts receivable	13	183,236	171,746	189,065
Due from related parties	19(a)(i)	300	265	1,883
Inventories	14	58,244	36,133	33,841
Corporation tax recoverable		-	-	3,241
Asset held for sale	6	2,166	-	-
		<u>338,161</u>	<u>327,998</u>	<u>340,042</u>
<b>Total assets</b>		<u>1,689,099</u>	<u>1,696,722</u>	<u>1,726,673</u>
<b>Shareholders' equity</b>				
Share capital	15	261,786	261,786	261,786
Capital reserve	16	32,398	31,725	13,566
Capital redemption reserve	17	3,000	3,000	3,000
Retained earnings		294,057	268,639	237,749
		<u>591,241</u>	<u>565,150</u>	<u>516,101</u>
<b>Current liabilities</b>				
Accounts payable and provisions	18	135,990	145,033	145,861
Current portion customer deposits	20	28,768	33,988	31,785
Due to related parties	18(a)(ii)	28,395	31,147	43,647
Lease liabilities	7(a)(ii)	29,523	31,252	28,813
Short-term loan	20(a)	5,000	-	-
Corporation tax payable		5,514	1,240	-
Current portion of long-term loans	21(b)	63,644	56,062	35,713
Employee benefits obligation		-	-	8,992
		<u>296,834</u>	<u>298,722</u>	<u>294,811</u>
<b>Non-current liabilities</b>				
Long-term portion of customer deposits	20	25,823	18,261	14,645
Long-term loans	21	269,899	281,403	335,779
Lease obligations	7(a)(ii)	445,855	462,691	490,300
Preference shares	22	24,688	24,688	24,688
Deferred taxation	23	6,203	17,032	22,189
Decommissioning provision	24	28,556	28,775	28,160
		<u>801,024</u>	<u>832,850</u>	<u>915,761</u>
<b>Total liabilities</b>		<u>1,097,858</u>	<u>1,131,572</u>	<u>1,210,572</u>
<b>Total shareholders' equity and liabilities</b>		<u>1,689,099</u>	<u>1,696,722</u>	<u>1,726,673</u>

The financial statements on pages, 65 to 139 were approved by the Board of Directors March 27, 2025, and signed on its behalf by:

 Chairman  
 Director

\*See note 34

The accompanying notes form an integral part of the financial statements.



JAMAICA PUBLIC SERVICE COMPANY LIMITED

Company Statement of Profit or Loss and Other Comprehensive Income  
Year ended December 31, 2024  
(Expressed in United States Dollars)

	Notes	2024 \$'000	2023 \$'000
Operating revenue	25	1,084,210	1,063,875
Cost of sales	26(a)	( 653,718)	( 658,443)
Gross profit		430,492	405,432
Operating expenses	26(b)	( 295,830)	( 258,105)
Impairment loss on trade receivables	13	( 10,058)	( 9,108)
Other income	27(a)	8,793	5,602
Other expenses	27(b)	( 822)	( 1,870)
Operating profit		<u>132,575</u>	<u>141,951</u>
Finance income	26(c)	8,992	7,125
Finance costs	26(c)	( 65,904)	( 66,978)
Net finance costs	26(c)	( 56,912)	( 59,853)
Dividend income from subsidiary		<u>5,609</u>	<u>15,126</u>
Profit before taxation		81,272	97,224
Taxation	28	( 20,132)	( 22,223)
Profit for the year		<u>61,140</u>	<u>75,001</u>
<b>Other comprehensive income</b>			
Items that will never be reclassified to profit or loss:			
Gain on revaluation of property (restated)	5	-	19,057
Remeasurement loss on defined benefit plan	10(a)(v)	( 8,324)	( 21,013)
Tax on remeasurement loss on defined benefit plan	23	<u>2,775</u>	<u>7,004</u>
Other comprehensive loss, net of tax		( 5,549)	<u>5,048</u>
Total comprehensive income attributable to shareholders		<u>55,591</u>	<u>80,049</u>

The accompanying notes form an integral part of the financial statements.

JAMAICA PUBLIC SERVICE COMPANY LIMITED

Company Statement of Changes in Shareholders' Equity  
Year ended December 31, 2024  
(Expressed in United States Dollars)

	Share capital \$'000 (Note 15)	Capital reserve \$'000 (Note 16)	Capital redemption reserve \$'000 (Note 17)	Retained earnings \$'000	Total \$'000
Balance at December 31, 2022	261,786	18,899	3,000	237,749	521,434
Prior year adjustment	-	( 5,333)	-	-	( 5,333)
Balance at December 31, 2022, as restated	<u>261,786</u>	<u>13,566</u>	<u>3,000</u>	<u>237,749</u>	<u>516,101</u>
Total comprehensive income for the year 2023:					
Profit for the year	-	-	-	75,001	75,001
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Gain on revaluation of property (restated)	-	19,057	-	-	19,057
Remeasurement loss on defined benefit plan, net of tax	-	-	-	( 14,009)	( 14,009)
Total comprehensive income for the year	<u>-</u>	<u>19,057</u>	<u>-</u>	<u>60,992</u>	<u>80,049</u>
Transfer from capital reserves on sale of property	-	( 898)	-	898	-
Transactions with owners of the Company:					
Dividends [note 30(a)]	-	-	-	( 31,000)	( 31,000)
Balance at December 31, 2023, as restated	<u>261,786</u>	<u>31,725</u>	<u>3,000</u>	<u>268,639</u>	<u>565,150</u>
Total comprehensive income for the year 2024:					
Profit for the year	-	-	-	61,140	61,140
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement loss on defined benefit plan, net of tax	-	-	-	( 5,549)	( 5,549)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,591</u>	<u>55,591</u>
Transfer from capital reserves on sale of property	-	673	-	( 673)	-
Transactions with owners of the Company:					
Dividends [note 30(a)]	-	-	-	( 29,500)	( 29,500)
Balance at December 31, 2024	<u>261,786</u>	<u>32,398</u>	<u>3,000</u>	<u>294,057</u>	<u>591,241</u>

\*See note 34

The accompanying notes form an integral part of the financial statements.



Company Statement of Cash Flows  
Year ended December 31, 2024  
*(Expressed in United States Dollars)*

	<u>Notes</u>	<u>2024</u> \$'000	<u>2023</u> \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the year		61,140	75,001
Adjustments for:			
Depreciation and amortisation	5,7,8	127,912	117,775
Gain on disposal of property, plant and equipment		( 1,564)	( 173)
Amortisation of debt issuance costs	26(c)	183	745
Unrealised foreign exchange losses/(gains), net	26(c)	1,192	( 1,051)
Interest expense		65,809	65,686
Dividend income from subsidiary		( 5,609)	( 15,126)
Interest income	26(c)	( 8,992)	( 7,125)
Taxation expense	28	28,186	20,376
Deferred tax	23	( 8,054)	1,847
Employee benefits asset		( 2,157)	( 5,521)
Cash generated before changes in working capital		258,046	252,434
Restricted cash		4,774	( 4,002)
Accounts receivable		( 10,973)	17,815
Inventories		( 22,111)	( 2,292)
Accounts payable and provisions		( 9,928)	( 8,927)
Due from/to related parties		( 2,892)	( 10,882)
Customers' deposits and advances		<u>2,691</u>	<u>6,473</u>
Cash generated from operations		219,607	250,619
Taxation paid		( 23,913)	( 15,895)
Net cash generated from operating activities		<u>195,694</u>	<u>234,724</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sales proceeds from disposal of property, plant and equipment		1,933	1,201
Purchase of property, plant and equipment	5	(102,245)	( 88,543)
Purchase of intangible assets	8	( 1,120)	( 3,397)
Interest received		8,403	6,701
Dividends received		<u>5,609</u>	<u>15,126</u>
Net cash used in investing activities		( 87,420)	( 68,912)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short-term loan received		5,000	-
Long-term loan received		50,000	-
Repayment of long-term loans		( 54,378)	( 33,317)
Payment of lease liabilities		( 32,657)	( 29,150)
Interest paid		( 64,895)	( 65,234)
Dividend paid, including preference shares	26(c), 30(a)	( 31,840)	( 33,334)
Net cash used in financing activities		(128,770)	(161,035)
Net (decrease)/increase in cash and cash equivalents		( 20,496)	4,777
Effect of changes in exchange rates		( 369)	( 937)
Net cash and cash equivalents at beginning of year		<u>61,329</u>	<u>57,489</u>
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		<u>40,464</u>	<u>61,329</u>

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements  
December 31, 2024  
*(Expressed in United States Dollars)*

1. Identification, Regulation and Licence

(a) Identification:

Jamaica Public Service Company Limited ("the Company") is incorporated and domiciled in Jamaica as a limited liability Company. The Company is owned by MaruEnergy JPSCO 1 SRL and EWP (Barbados) 1 SRL, each holding 40% interest in the Company's shares, with the Government of Jamaica (GOJ) holding 19.9% and private individuals 0.1%.

MaruEnergy JPSCO 1 SRL is incorporated in Barbados and is ultimately owned by Marubeni Corporation, which is incorporated in Japan. EWP (Barbados) 1 SRL is incorporated in Barbados and is ultimately owned by the Korea Electric Power Corporation, which is incorporated in South Korea. The Government of Jamaica's ownership in the Company is held collectively through the Accountant General's Department and Development Bank of Jamaica Limited.

In accordance with a Shareholder's Agreement, the majority shareholders have the right to appoint six members of the Board of Directors while the GOJ has the right to appoint three. Additionally, certain significant decisions of the Board of Directors require a unanimous vote of the appointed directors.

The principal activities of the Company are generating, transmitting, distributing and supplying electricity in accordance with the terms of the amended Electricity Licence, 2016 (the Licence), granted on January 27, 2016, by the Minister of Science, Technology, Energy and Mining.

The Company holds a 100% interest in South Jamaica Energy Holdings Limited (SJEH). The primary activity of SJEH is the holding of a 50% interest in South Jamaica Power Company Limited. The Company also holds 100% interest in Caribbean Blue Skies Energy Limited (CBSE) whose primary activities are the provision of operation and maintenance services to entities within in the energy industry.

The registered office of the Company and its Subsidiaries is situated at 6 Knutsford Boulevard, Kingston 5, Jamaica, W. I., and its preference shares are listed on the Jamaica Stock Exchange.

(b) Regulatory arrangements and tariff structure:

The Licence authorises the Company to supply electricity for public and private purposes within the Island of Jamaica, subject to regulation by the Office of Utilities Regulation (OUR). The OUR is established pursuant to the Office of Utility Regulation Act, 1995, and as subsequently amended, with power and authority to require observance and performance by the Company of its obligations under the Licence, and to regulate the rates charged by the Company.



Notes to the Financial Statements  
December 31, 2024  
(Expressed in United States Dollars)

1. Identification, Regulation and Licence (continued)

(b) Regulatory arrangements and tariff structure (continued):

Under the provisions of the Licence, the Company is granted the exclusive right to transmit, distribute and supply electricity throughout the Island of Jamaica for a period of twenty years and to develop new generation capacity within the first three years from the effective date of the Licence.

Since the expiration of the initial three-year period, the Company has the right, together with other persons, to compete for the right to develop new generation capacity. The Licence was extended in August 2007 for an additional period of six years through to 2027 upon the sale of the Company by Mirant Corporation to Marubeni Corporation.

Schedule 3 of the Licence defines the rates for electricity and the mechanism for rate adjustments.

Under the Licence, the rates for electricity consist of a Non-Fuel Base Rate, which is adjusted annually using the Performance Based Rate-making Mechanism; and a Fuel Rate, which is adjusted monthly to reflect fluctuations in actual fuel costs, net of adjustments for prescribed efficiency targets. Both rates (fuel and non-fuel) are adjusted monthly to account for movements in the monetary exchange rate between the United States (US) dollar and the Jamaica dollar.

These rates are determined in accordance with the tariff regime, which provides that the OUR annually reviews the Company's efficiency levels (system losses and heat rate) and, where appropriate, adjusts these in the tariff. Under the rate schedule, the Company should recover its actual fuel costs, net of the prescribed efficiency adjustments, through its Fuel Rate.

As of March 1, 2004, and thereafter, on each succeeding fifth anniversary, the Company must submit a filing to the OUR for further rate adjustments to its Non-Fuel Base Rate. The rate filing, which requires OUR approval, is based on a test year and includes defined "efficient" non-fuel operating costs, depreciation expenses, taxes, and a fair return on investment.

Embedded in the OUR approved tariff is an amount to be set aside monthly to provide for a Self-Insurance Sinking Fund in case of a major catastrophe affecting the Company's operations.

Notes to the Financial Statements  
December 31, 2024  
(Expressed in United States Dollars)

2. Statement of compliance and basis of preparation

(a) Statement of compliance

The financial statements are prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IFRS Accounting Standards) and comply with the provisions of the Jamaican Companies Act.

- Effective January 1, 2024, the Group adopted the amendments to IAS 1 *Presentation of Financial Statements*. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

Under existing IAS 1 requirements, entities classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. As part of its amendments, the requirement for a right to be unconditional has been removed and instead, the standard requires that a right to defer settlement must have substance and exist at the reporting date. An entity classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting date. It has now been clarified that a right to defer exists only if the entity complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.

With the amendments, convertible instruments may become current. In light of this, the amendments clarify how an entity classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32.

Generally, if a liability has any conversion options that involve a transfer of the entity's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that an entity can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

Other pronouncements under IFRS Accounting Standards did not result in any changes to amounts recognised or disclosed in these financial statements.

(b) Basis of preparation

These financial statements are presented in United States dollars, which is the functional currency of the Company. Except where otherwise indicated, all financial information has been rounded to the nearest thousand.

The financial statements are prepared under the historical cost basis, modified for the inclusion of land at valuation, and defined benefits asset and obligation at fair value of plan assets less the present value of the defined benefits asset and obligation as explained in note 3(b).



Notes to the Financial Statements  
December 31, 2024  
*(Expressed in United States Dollars)*

2. Statement of compliance and basis of preparation

(b) Basis of preparation (continued)

*Basis of consolidation*

A subsidiary is an entity controlled by and forming part of the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity, exposure to variable returns from the investee and a link between the power the Group has and the variability of returns. In assessing control, the existence and effect of potential voting rights that are currently exercisable are considered. Subsidiaries are consolidated from the date on which the Group effectively takes control until the date that control ceases. Accounting policies of subsidiaries are aligned with the policies adopted by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(c) Use of estimates and judgements

The preparation of the financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if applicable.

The preparation of the financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if applicable.

Judgements made by management that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

Notes to the Financial Statements  
December 31, 2024  
*(Expressed in United States Dollars)*

2. Statement of compliance and basis of preparation (continued)

(c) Use of estimates and judgements (continued)

(i) Post-employment benefits (note 9)

The amounts recognised in the financial statements for post-employment benefits are determined actuarially using several assumptions.

The primary assumptions used in determining the amounts recognised include expected rates of salary and pension increases, and the discount rate used to determine the present value of estimated future cash flows required to settle the obligations.

The discount rate is determined based on the estimated yield on long-term government securities that have maturity dates approximating the terms of the Group's obligation. In the absence of such instruments in Jamaica, the Group extrapolated from the longest-tenured security on the market. Any changes in these assumptions will affect the amounts recorded in the financial statements for these obligations.

(ii) Allowance for impairment losses on receivables (note 12)

Allowances for expected credit losses ("ECL") are determined upon origination of the trade accounts receivable based on a model that uses a matrix of days past due, considering actual credit loss experience over the last 12 months and analysis of future delinquency.

The average ECL rate increases in each segment of days past due until the rate is 100% for the segment of 330 days or more past due. The use of assumptions introduces uncertainty in such estimates. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

In determining forward-looking estimates, the group considers macro-economic factors such as gross domestic product, inflation and fuel rate. The gross carrying amount of trade receivables is written off when the Group has no reasonable expectations of recovering a receivable balance in its entirety or portion thereof.

(iii) Unbilled revenue

Unbilled revenue at each month-end is estimated based on the average amounts billed in the immediately preceding billing period, including amounts unbilled for Independent Power Provider (IPP) charges.



Notes to the Financial Statements  
December 31, 2024  
(Expressed in United States Dollars)

2. Statement of compliance and basis of preparation (continued)

(c) Use of estimates and judgements (continued)

(iv) Capitalisation and useful lives of property, plant and equipment

Management exercises judgement in determining whether the costs incurred can be capitalised, based on whether they are expected to generate significant future economic benefits to the Group.

Further judgement is applied in the annual review of the useful lives of all categories of property, plant and equipment and the resulting depreciation thereon.

3. Material accounting policies

(a) Property, plant and equipment and intangible assets

*Recognition and measurement*

Additions to property, plant and equipment, replacement of retirement units of plant in service, or additions to construction work-in-progress include direct labour, materials, professional fees and an appropriate charge for overheads. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Land was revalued as at December 31, 2023, by an independent valuator using the Market Comparable Basis, which utilises the sale values for similar properties within the relevant period. Valuations are performed with sufficient frequency to ensure that the fair value of the revalued assets do not differ materially from their carrying amounts at each reporting date.

Property, plant and equipment being constructed are measured at cost less recognised impairment losses.

Intangible assets include computer software measured at cost, less amortisation and impairment losses, and land rights measured at cost. Impairment losses are recognised in profit or loss in operating expenses.

*Depreciation and amortisation*

Land and land rights are not depreciated. Other property, plant and equipment and intangible assets are depreciated or amortised on the straight-line basis at annual rates estimated to write down the assets to their recoverable values over their expected useful lives.

Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(a) Property, plant and equipment and intangible assets (continued)

*Depreciation and amortisation (continued)*

The depreciation rates, which are specified by the Licence, are as follows:

Steam production plant	4%
Hydraulic production plant	2%, 2.5% & 2.86%
Other production plant	2.5, 4%, 4.17% & 5%
Transmission plant	4%
Distribution plant	3.33%, 4%, 6.67%, 10% & 20%
General plant & equipment:	
Buildings and structures	2%
Transport equipment	14.3%
Other equipment	10%, 15.67% & 20%

Computer software, which is classified as an intangible asset, is amortised at 16.67% per annum. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the asset. All other expenditure is recognised in profit or loss as incurred.

Useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

(b) Employee benefits

Employee benefits, comprising pensions and other post-employment assets and obligations included in these financial statements have been actuarially determined by a qualified independent actuary, appointed by management.

The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the Group's post-employment benefits asset and obligation as computed by the actuary.

(i) Pension assets

The Group participates in two contributory pension plans (a defined benefit plan and a defined contribution pension plan), the assets of which are held separately from those of the Group.

Obligations for contributions to the defined contribution pension plan are recognised as an expense in profit or loss as incurred. The Group's net obligation in respect of the defined benefit pension plan is calculated at each reporting date by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods, discounting it to determine its present value, and deducting the fair value of the plan assets. The net asset recognised is restricted to the discounted value of future benefits available to the Group in the form of future refunds or reductions in contributions. See note 10a (i)



Notes to the Financial Statements (Continued)  
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3. Material accounting policies (continued)

(b) Employee benefits (continued)

(i) Pension assets (continued)

In estimating the value of the employee benefits obligation at each reporting date, the Group applies the discount rate on long-term government instruments that have maturity dates approximating the term of the Group's obligation. In the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenured security on the market.

The calculation of the net defined benefits obligation/asset is performed by the appointed actuary using the Projected Unit Credit Method.

Remeasurements of the net defined benefits obligation/asset, which comprise actuarial gains and losses, and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances including short-term deposits with maturities ranging between one and three months from the date of placement and are measured at amortised cost.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

(d) Accounts receivable

Trade and other accounts receivable are measured at amortised cost less impairment losses. An impairment loss is recognised using the expected credit loss model for the lifetime of such financial assets on initial recognition, and at each subsequent reporting date, even in the absence of a credit event or if a loss has not occurred. The provision methodology considers past events and current conditions, as well as reasonable and supportable forecasts affecting collectability [see also note 3(l)].

(e) Inventories

Inventories comprise fuel stocks and generation, transmission and distribution spare parts. Inventories are valued at the lower of cost, determined on a weighted average cost basis, and net realisable value.

Notes to the Financial Statements (Continued)  
December 31, 2024  
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3. Material accounting policies (continued)

(f) Accounts payable

Trade and other accounts payable are recorded initially at amounts representing the fair value of the consideration due for goods and services received by the reporting date, whether or not billed. Thereafter they are measured at amortised cost.

(g) Provisions

A provision is recognised in the statement of financial position when the Group has an obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of that obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money, and, where appropriate, the risks specific to the obligation.

*Decommissioning obligations*

The Group's activities give rise to dismantling, decommissioning and site disturbance remediation activities. Provision is made for the estimated cost of site restoration and capitalised in the relevant asset category. Decommissioning obligations are measured at the present value of management's best estimate of the expenditure required to settle the present obligation as at the reporting date.

Subsequent to the initial measurement, the obligation is adjusted at each reporting date to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time (and unwinding of the discount) is recognised within finance costs whereas increases/decreases due to changes in the estimated future cash flows or changes in the discount rate are capitalised. Actual costs incurred upon settlement of the decommissioning obligations are charged against the provision to the extent the provision was established.

(h) Borrowings:

(i) Capitalisation of borrowing costs:

Borrowing costs directly attributable to the construction of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(ii) Debt issuance costs:

These represent legal, accounting and financing fees associated with securing certain long-term loans, which are amortised on an effective interest basis over the lives of the loans.



Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(h) Borrowings (continued):

(iii) Interest-bearing borrowings:

Interest-bearing borrowings are recognised initially at fair value plus transaction costs directly attributable to the issue of the financial liabilities. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost using the effective interest method.

(i) Customers' deposits:

Given the long-term nature of customer relationships, a portion of customers' deposits and construction advances are shown in the statement of financial position as non-current liabilities (i.e., amounts not likely to be repaid within twelve months of the reporting date). Interest is credited annually on customers' deposits at rates prescribed by the Licence.

(j) Preference shares:

The Group's redeemable preference shares are classified as liabilities because they bear non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

(k) Share capital:

Ordinary shares are classified as equity.

(l) Impairment

*Financial assets*

The Group recognises allowances for Expected credit losses (ECLs) on:

- financial assets measured at amortised cost; and
- contract assets

The Group measures expected credit loss allowances for financial assets at 12-month ECLs if credit risk has not increased significantly since acquisition and otherwise at lifetime ECLs. Trade receivables and contract assets at an amount equal to lifetime ECLs

In estimating ECLs, the Group considers reasonable and supportable information relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(l) Impairment (continued)

*Financial assets (continued)*

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 action such as realising security if any is held; or
- the financial asset is more than 365 days past due.

Life-time ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument.

*Measurement of ECLs*

Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

*Credit-impaired financial assets*

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as.

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- increased probability that the borrower will enter bankruptcy; or
- the disappearance of an active market for a security because of financial difficulties.

*Write-off*

The gross carrying amount of a financial asset is written down (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in the net charge for 'impairment losses on financial instruments' in the statement of profit or loss.

Financial assets that are written off are still subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.



Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(l) Impairment (continued)

*Non-financial assets*

The carrying amount of the Group’s non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(m) Revenue recognition:

*Sale of electricity*

Revenue is recognised over time for the price, before tax on sales, expected to be received by the Company for electricity supplied as a result of its ordinary activities, as the electricity is consumed by the customer. Revenues are recognized net of any trade discounts granted to customers. Customer bills are due within 30 days.

*Sale of goods (energy saving equipment)*

Revenue is recognised at a point in time for the price, before tax on sales, expected to be received by the Company for goods and services supplied, as contractual performance obligations are fulfilled and control of goods and services passes to the customer. Revenues are decreased by any trade discounts granted to customers. Transactions between the Company and its Subsidiaries are eliminated on consolidation.

Variable consideration is recognised when it is highly probable that a significant reversal in the amount of cumulative revenue recognised for the contract will not occur and is measured using the expected value or the most likely amount method, whichever is expected to better predict the amount based on the terms and conditions of the contract.

Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(m) Revenue recognition (continued):

*Interest income*

Interest income is recognised in profit or loss using the effective interest method.

When calculating the effective interest rate for financial instruments, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the effective interest rate.

The effective interest rate of a financial asset is calculated on initial recognition. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

*Operation and maintenance services income*

Revenue from plant operations and maintenance services are recognised over time as the services are provided. Customer obtains control of service based upon operation and maintenance activities performed during the period at rates specified in the contract.

(n) Taxation:

Current and deferred taxes:

Taxation on profit or loss for the year comprises current and deferred tax. Taxation is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income, in which case it is also recognised in other comprehensive income.

Current tax is the expected tax payable on the income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is computed by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.



Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(n) Taxation (continued):

Current and deferred taxes (continued):

A deferred tax liability is recognised for taxable temporary differences, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) Related parties

• Definitions

Parties are considered to be related to the Company if one party has the ability to control or exercise significant influence over, or is controlled or significantly influenced by, the other party or both parties are subject to common control or significant influence.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

• Identity of related parties

The company has a related party relationship with its directors and senior management personnel. The directors and senior management collectively comprise, and are referred to as, “key management personnel”.

The Group’s key related party relationships are with its primary shareholders, their parent companies, fellow subsidiaries and associated companies, the Government of Jamaica, directors, key management personnel and its two.

(p) Interest in equity-accounted investee:

The Group’s interest in equity-accounted investee comprise interest in associate and it is classified and accounted for as follows:

- Associates – entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates is accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(q) Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost of the asset, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects an expectation that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated and assessed for impairment over the useful life of the underlying asset, on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, 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 to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.



Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(q) Leases (continued):

(i) As a lessee (continued)

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments, less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is:

- a change in future lease payments arising from a change in an index or rate;
- a change in the Group's estimate of the amount expected to be payable under a residual value guarantee;
- a change in the Group's assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(q) Leases (continued):

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract. The Group recognises lease payments received under operating leases as income on the straight-line basis over the lease term as part of 'other revenue'.

(r) Foreign currencies:

Transactions in foreign currencies are converted at the rates of exchange ruling on the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States dollars at the rates of exchange ruling at that date. Gains and losses arising from fluctuations in exchange rates are included in profit or loss.

For the purposes of the statement of cash flows, realised foreign currency gains and losses are treated as cash items and included in cash flows from operating or financing activities along with movement in the relevant balances.

(s) Segment reporting:

An operating segment is a component of an entity:

- (i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- (ii) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- (iii) for which discrete financial information is available.



Notes to the Financial Statements (Continued)  
December 31, 2024  
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3. Material accounting policies (continued)

(s) Segment reporting (continued):

The Group maintains an integrated operating structure and its operations are reviewed by management and directors as a whole and not in segments. The operations of the subsidiaries are not material for segment disclosure. Consequently, no segment disclosures are included in the financial statements.

(t) Financial instruments and fair value measurement:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise trade and other receivables, cash and cash equivalents, long term receivables, due from related parties, other assets and restricted cash. Financial liabilities comprise trade and other payables, loan from bank due to related parties, also financial substitutes; preference shares, customer deposits and other payables.

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets that meet the relevant criteria and are not designated as at fair value through profit or loss are classified as “Held to collect” and measured at amortised cost, comprising:

- Cash and cash equivalents
- Trade receivables
- Due from related parties

Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amounts, less expected credit losses.

*Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as described in their respective accounting policy notes.

Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(t) Financial instruments and fair value measurement (continued):

(ii) Classification and subsequent measurement (continued)

*Impairment of financial assets*

Impairment losses of financial assets is determined in accordance with note 2(l).

*Derecognition*

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

*Financial liabilities*

*Initial recognition and measurement*

All financial liabilities are recognised initially at fair value, plus directly attributable transaction costs, in the case of loans and borrowings. The Group’s financial liabilities, which include payables and accruals, loan obligations, due to parent and related companies and redeemable preference shares which are recognised initially at fair value.

*Subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification as described in their respective accounting policy notes.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.



Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(t) Financial instruments and fair value measurement (continued):

(ii) Classification and subsequent measurement (continued)

*Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

*Derivative financial instruments*

The Group does not generally use derivative financial instruments, such as interest rate swaps to hedge its interest rate risks.

*Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to the Financial Statements (Continued)  
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3. Material accounting policies (continued)

(u) Assets held for sale (see note 6)

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale, rather than through continuing use. Such assets, or disposal group are generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

(v) Standards issued but not yet effective:

**New and amended standards issued and interpretations that are not effective:**

- IFRS 18 *Presentation and Disclosure in Financial Statements*, is effective for annual reporting periods beginning on or after January 1, 2027

Under current IFRS Accounting Standards, reporting entities use different formats to present their results, making it difficult for investors to compare financial performance. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (Operating, Investing and Financing) based on a reporting entity’s main business activities.

All companies are required to report the newly defined ‘operating profit’ subtotal – an important measure for investors’ understanding of a company’s operating results – i.e. investing and financing activities are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the ‘investing’ category.

IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. Under the new standard, this presentation provides a ‘useful structured summary’ of those expenses. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.



Notes to the Financial Statements (Continued)  
December 31, 2024  
(Expressed in United States Dollars)

3. Material accounting policies (continued)

(v) Standards issued but not yet effective (continued):

**New and amended standards issued and interpretations that are not effective (continued):**

- IFRS 18 *Presentation and Disclosure in Financial Statements* (continued)

Management is assessing the likely impact that IFRS 18 *Presentation and Disclosure of Financial Statements* will have on the presentation of the statement of profit or loss and other comprehensive income.

4. Power purchase contracts

The Group has entered into agreements with Independent Power Providers (IPPs) for the purchase of energy capacity and net energy output The IPP arrangements are:

	Contract termination date
The Jamaica Private Power Company Limited (JPPC)	December 2024*
Wigton Wind Farm Limited (Wigton)	March 2027, December 2030 & March 2036
Jamaica Energy Partners (JEP)	February 2026
West Kingston Power Partners (WKPP)	July 2032
Content Solar Limited (CS)	August 2036
BMR Jamaica Wind Limited (BMR)	June 2036
Eight Rivers Energy Company Limited (EREC)	June 2039
South Jamaica Power Company Limited (SJPC)	December 2039
NFE South Power Holdings Limited	March 2040

All agreements are subject to termination prior to the contract dates upon the occurrence of certain events of default as specified in the agreements, and are renewable for an additional period, provided the party seeking the extension gives written notice, ranging from two to six years, before the end of the initial term.

Certain agreements require payment for available energy capacity and for certain operating costs and overheads. Additionally, certain agreements require the Group to provide a banker's guarantee in relation to contractual payments. The Group has financing arrangements with financial institutions, which guarantee access to funds by IPPs for contractually agreed payments. As at December 31, 2024, the total guarantees under Standby Letters of Credit amounted to \$54.8 million (2023: \$53.5 million). These facilities were not accessed during the year. Some of power purchase contracts contain a lease and are recognised as right-of-use asset in Note 6.

\* The Group is currently negotiating the terms of the new contractual agreement.

JAMAICA PUBLIC SERVICE COMPANY LIMITED

Notes to the Financial Statements (Continued)  
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5. Property, plant and equipment

	Group				
	Land & buildings \$'000	Production (generation) plant & equipment \$'000	Transmission and distribution plant & equipment \$'000	General plant & machinery \$'000	Computer equipment, office fixtures & fittings \$'000
Cost or valuation:					Construction work-in-progress \$'000
December 31, 2022 as restated	79,171	863,613	1,434,518	42,804	86,377
Additions	-	496	20,888	460	723
Transfers	43	15,781	39,862	110	10
Revaluation (restated)	19,057	-	-	-	-
Disposals/retirements	(1,498)	(7,405)	-	(34,148)	(73,801)
December 31, 2023 (restated)	96,773	872,485	1,495,268	9,226	13,309
Reclassification to asset held for sale	(2,166)	-	-	-	-
Additions	26	2,998	24,105	626	1,481
Transfers	-	12,884	27,440	12	1,562
Disposals/retirements	(2,170)	(8,809)	-	(85)	(34)
December 31, 2024	92,463	879,558	1,546,813	9,779	16,318
Depreciation:					
December 31, 2022	18,317	698,094	925,902	38,089	81,251
Charge for the year	1,215	25,312	46,828	721	1,749
Disposals/retirements	(472)	(7,404)	-	(34,148)	(73,800)
December 31, 2023	19,060	716,002	972,730	4,662	9,200
Charge for the year	2,410	24,931	54,794	749	2,080
Disposals/retirements	(1,806)	(8,809)	-	(80)	(33)
December 31, 2024	19,664	732,124	1,027,524	5,331	11,247
Net book values:					
December 31, 2024	72,799	147,434	519,289	4,448	5,071
December 31, 2023 as restated	77,713	156,483	522,538	4,564	4,109
					Construction work-in-progress \$'000
					2,567,192
					90,797
					-
					19,057
					(116,852)
					2,560,194
					(2,166)
					103,869
					-
					(11,098)
					2,650,799
					1,761,653
					75,825
					(115,824)
					1,721,654
					84,964
					(10,728)
					1,795,890
					854,909
					838,540

\*See note 34



Notes to the Financial Statements (Continued)  
December 31, 2024  
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5. Property, plant and equipment (continued)

	Company						Total \$'000
	Land & buildings \$'000	Production (generation) plant & equipment \$'000	Transmission and distribution plant & equipment \$'000	General plant & machinery \$'000	Computer equipment, office fixtures & fittings \$'000	Construction work-in-progress \$'000	
Cost or valuation:							
December 31, 2022 as restated	79,171	863,613	1,434,518	42,804	86,343	60,709	2,567,158
Additions	-	496	20,888	460	709	68,230	90,783
Transfers	43	15,781	39,862	110	10	( 55,806)	-
Revaluation (restated)	19,057	-	-	-	-	-	19,057
Disposals/retirements	(1,498)	( 7,405)	-	(34,148)	(73,801)	-	( 116,852)
December 31, 2023 (restated)	96,773	872,485	1,495,268	9,226	13,261	73,133	2,560,146
Reclassification to asset held for sale	( 2,166)	-	-	-	-	-	( 2,166)
Additions	26	2,998	24,105	626	1,470	74,633	103,858
Transfers	-	12,884	27,440	12	1,562	( 41,898)	-
Disposals/retirements	(2,170)	( 8,809)	-	( 85)	( 34)	-	( 11,098)
December 31, 2024	92,463	879,558	1,546,813	9,779	16,259	105,868	2,650,740
Depreciation:							
December 31, 2022	18,317	698,094	925,902	38,089	81,249	-	1,761,651
Charge for the year	1,215	25,312	46,828	721	1,743	-	75,819
Disposals/retirements	( 473)	( 7,404)	-	(34,148)	(73,800)	-	( 115,825)
December 31, 2023	19,059	716,002	972,730	4,662	9,192	-	1,721,645
Charge for the year	2,410	24,931	54,794	749	2,071	-	84,955
Disposals/retirements	(1,807)	( 8,809)	-	( 80)	( 33)	-	( 10,729)
December 31, 2024	19,662	732,124	1,027,524	5,331	11,230	-	1,795,871
Net book values:							
December 31, 2024	72,801	147,434	519,289	4,448	5,029	105,868	854,869
December 31, 2023 (restated)	77,714	156,483	522,538	4,564	4,069	73,133	838,501

\*See note 34

Notes to the Financial Statements (Continued)  
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5. Property, plant & equipment (continued)

- (a) Land and buildings include land, at valuation, aggregating approximately \$52.7 million (2023: \$53.0 million). Of this amount, the cost of land, amounted to \$24.0 million (2023: \$22.9 million). Land, which is considered a separate class of assets, was revalued in 2023 by an independent professional valuator.
- (b) The fair value of land is categorised as level 3 in the fair value hierarchy. The following table shows the valuation technique used in measuring fair value, as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Market comparable approach:</i> <ul style="list-style-type: none"><li>The approach is based on the principle of substitution whereby the purchaser with perfect knowledge of the property market pays no more for the subject property than the cost of acquiring an existing comparable assuming no cost delay in making the substitution.</li><li>The approach requires comparison of the subject property with others of similar design and utility, inter alia, which were sold in the recent past.</li><li>However, as no two properties are exactly alike, adjustment is made for the difference between the property subject to valuation and comparable properties.</li></ul>	<ul style="list-style-type: none"><li>Details of the sales of comparable properties.</li><li>Conditions influencing the sale of comparable properties.</li><li>Comparability adjustments which includes the size and location of the properties.</li><li>Average price per square meter of \$35 based on comparable properties</li></ul>	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"><li>Sale value of comparable properties were higher/(lower).</li><li>Comparability adjustments were higher/(lower).</li></ul>

- (c) Interest capitalised during construction for the year amounted to approximately \$1.6 million (2023: \$2.2 million). The capitalisation rate used for the year was 3.71% (2023: 3.53%). Additions in the cashflows is net of interest capitalize during construction.
- (d) The composite rate of depreciation for the year was approximately 6.17% (2023: 5.99%).



Notes to the Financial Statements (Continued)  
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6. Asset held for sale

In July 2024, the Company initiated an approved plan to sell part of the Old Harbour property. Accordingly, part of the facility is presented as an asset held for sale. The sale is expected to conclude by November 2025.

7. Leases

(a) Amounts recognised in the statement of financial position:

(i) Right-of-use asset

	<u>Group and Company</u>				
	<u>Land and buildings</u>	<u>Generation equipment</u>	<u>Motor vehicles</u>	<u>Computer equipment</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Balance at December 31, 2022	2,566	467,873	3,098	1	473,538
Additions to right-of-use assets	-	-	3,980	-	3,980
Depreciation charge for the year	( 513)	( 37,325)	( 1,660)	( 1)	( 39,499)
Balance at December 31, 2023	2,053	430,548	5,418	-	438,019
Additions to right-of-use assets	-	-	14,197	-	14,197
Depreciation charge for the year	( 513)	( 37,325)	( 2,966)	-	( 40,804)
Balance at December 31, 2024	<u>1,540</u>	<u>393,223</u>	<u>16,649</u>	<u>-</u>	<u>411,412</u>

(ii) Lease liability

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Current	29,523	31,252
Non-current	<u>445,855</u>	<u>462,691</u>
	<u>475,378</u>	<u>493,943</u>

(b) Amounts recognised in profit or loss:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Depreciation charge on right-of-use asset	( 40,804)	( 39,499)
Interest on lease liabilities	( 36,047)	( 37,443)
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	( 47)	( 36)
Expenses related to variable lease payment not included in lease liabilities	<u>(135,175)</u>	<u>(133,435)</u>

Notes to the Financial Statements (Continued)  
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7. Leases (continued)

(c) Reconciliation of amount recognised in the statement of cash flows

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Balance at start of the year	493,943	519,114
Changes from financing cash flows	( 68,810)	( 66,594)
Interest expense	36,047	37,443
New lease	<u>14,198</u>	<u>3,980</u>
Balance at end of the year	<u>475,378</u>	<u>493,943</u>

(d) Leases as lessee

The Group leases power generation facilities including both fixed and variable lease payments. A typical lease runs for a period of 20 years, with an option to renew the lease after the initial term. Lease payments are derived based on a formula set by the Regulator. The contracts provide for additional rent payments that are based on changes in local price indices.

Property leases were entered into as combined leases of land and buildings.

The Group leases other equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

For property leases, the Group has elected not to separate lease and non-lease components, accounting for them as a single lease component.

*Extension options*

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The Group assesses extension options at lease commencement and when there is a significant event or change in circumstances within its control.

(e) Leases as lessor

The Group leases out certain of its owned commercial properties as well as leased property. All leases are classified as operating leases from the Group's perspective.



Notes to the Financial Statements (Continued)  
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## 8. Intangible assets

This represents acquired software costs capitalised and land rights purchased as follows:

	<u>The Group and Company</u>		
	<u>Software</u>	<u>Land rights</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Cost or valuation:			
December 31, 2022	42,881	8,224	51,105
Additions	3,397	-	3,397
Disposals/retirements	(25,812)	-	(25,812)
December 31, 2023	20,466	8,224	28,690
Additions	1,120	-	1,120
December 31, 2024	<u>21,586</u>	<u>8,224</u>	<u>29,810</u>
Depreciation:			
December 31, 2022	33,807	-	33,807
Charge for the year	2,458	-	2,458
Disposals/retirements	(25,811)	-	(25,811)
December 31, 2023	10,454	-	10,454
Charge for the year	2,152	-	2,152
December 31, 2024	<u>12,606</u>	<u>-</u>	<u>12,606</u>
Net book values:			
December 31, 2024	<u>8,980</u>	<u>8,224</u>	<u>17,204</u>
December 31, 2023	<u>10,012</u>	<u>8,224</u>	<u>18,236</u>

Software includes software projects in development of \$3.7 million (2023: \$2.7 million).

## 9. Subsidiaries and equity-accounted investee

### (a) Subsidiaries

#### i. South Jamaica Energy Holdings Limited (SJEH)

The Company holds 46,004 ordinary shares representing 100% ownership.

The primary activity of SJEH is the holding of an investment in South Jamaica Power Company Limited [see note 9(b)].

#### ii. Caribbean Blue Skies Energy Limited

The Company holds 1 ordinary share, representing 100% ownership. The primary activities of Caribbean Blue Skies Energy Limited are the provision of operation and maintenance services to entities within the energy industry.

Notes to the Financial Statements (Continued)  
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## 9. Subsidiaries and equity-accounted investee (continued)

### (b) Equity accounted investee – South Jamaica Power Company Limited (SJPC)

Through SJEH, the Group holds a 50% interest in SJPC. The primary activity of SJPC is the operation of a power plant pursuant to an electricity generation licence. The Group has rights to its share of the net assets/ (liabilities) of the entity.

The investment in SJPC is accounted for as an interest in associated company using the equity method, as below:

	<u>Interest in Associate</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Balance at the start of the year	83,245	91,457
Share of profit	5,307	6,914
Dividend received	( 5,609)	(15,126)
Balance at the end of the year	<u>82,943</u>	<u>83,245</u>

The following table represents the summarised financial information for the equity-accounted investee as at the year end.

	<u>Interest in Associate</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Cash and cash equivalents	6,337	9,028
Current assets	62,556	64,987
Non-current assets	293,359	300,830
Current liabilities	( 37,929)	( 37,952)
Non-current liabilities	(158,458)	(170,404)
Net assets	<u>165,865</u>	<u>166,489</u>

	<u>Interest in Associate</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Revenue	183,668	184,426
Depreciation and amortization	( 22)	( 18)
Profit for the year, being total comprehensive income	<u>( 10,614)</u>	<u>( 13,828)</u>
Group's share of total comprehensive income	<u>5,307</u>	<u>6,914</u>



Notes to the Financial Statements (Continued)  
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9. Subsidiaries and equity-accounted investee (continued)

- (b) Equity-accounted investee – South Jamaica Power Company Limited (SJPC)  
 (continued)

Reconciliation of summarised financial information to the carrying amount of the Group's interest in equity accounted investee:

	<u>Interest in Associate</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Net assets as at the end of the year	<u>165,886</u>	<u>166,489</u>
Carrying value	<u>82,943</u>	<u>83,245</u>
Interest in equity-accounted investee	<u>50%</u>	<u>50%</u>

10. Employee benefits

- (a) Defined benefit pension plan:

The Group administers an approved defined-benefit pension plan for selected employees and their beneficiaries. The accumulated fund is administered by the trustees who are assisted by an independent plan administrator and three fund managers; Sagicor Life of Jamaica Limited, Victoria Mutual Pensions Management Limited and NCB Insurance Company Limited.

The administrator is Employee Benefits Administrator Limited. Effective February 1, 2007, the fund was closed to new entrants.

On retirement, a member is entitled to be paid an annual pension of 2% (2023: 2%) on the highest average of the member's annual pensionable salary during any consecutive three year period of pensionable service, multiplied by the number of years of pensionable service.

- (i) Employee benefits:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Fair value of plan assets	235,027	221,226
Present value of funded obligations	(192,129)	(165,298)
	<u>42,898</u>	<u>55,928</u>
Asset recognised	<u>21,449</u>	<u>27,964</u>

The Rules of the plan permit the Company, as sponsor, an unconditional right to a maximum of 50% of the surplus on discontinuance of the plan. The economic benefit was determined as the lower of 50% of the surplus on discontinuance and the surplus on a going concern basis, in accordance with Trust deed.

Notes to the Financial Statements (Continued)  
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10. Employee benefits (continued)

- (a) Defined benefit pension plan (continued):

- (ii) Movements in funded obligations:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Balance at beginning of year	(165,298)	(125,416)
Benefits paid	6,118	5,260
Current service cost	( 2,308)	( 1,420)
Interest cost	( 17,684)	( 15,663)
Voluntary contributions	( 1,803)	( 1,660)
Remeasurement loss on obligation for OCI	( 12,703)	( 28,745)
Exchange gain	<u>1,549</u>	<u>2,346</u>
Balance at end of year	<u>(192,129)</u>	<u>(165,298)</u>

- (iii) Movements in plan assets:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Fair value of plan assets at beginning of year	221,226	213,986
Contributions paid:		
Employer	1,176	1,110
Employees	1,803	1,665
Interest income on assets	23,936	27,138
Benefits paid	( 6,118)	( 5,260)
Remeasurement (loss)/gain on assets for OCI	( 4,923)	( 13,411)
Exchange loss	<u>( 2,073)</u>	<u>( 4,002)</u>
Fair value of plan assets at end of year	<u>235,027</u>	<u>221,226</u>
Plan assets consist of the following:		
Investments quoted in active markets:		
Equities	78,036	68,428
Government bonds	52,814	53,708
Corporate bonds and other debt securities	27,785	21,155
Pooled pension investments	4,833	14,798
Unquoted investments:		
Real estate	16,744	14,998
Net current assets	<u>54,815</u>	<u>48,139</u>
	<u>235,027</u>	<u>221,226</u>



Notes to the Financial Statements (Continued)  
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10. Employee benefits (continued)

(a) Defined benefit pension plan (continued):

(iii) Movements in plan assets (continued):

Included in the plan assets as at December 31, 2024 are:

- Real estate occupied by the Group with a fair value of \$17.05 million (2023: \$13.3 million); and
- JPS 7.35% promissory notes with a fair value of \$692,830 (2023: \$714,000).
- JPS 9.5% preference shares with fair value of \$1,349,523 (2023: \$1,472,029)

All investments are issued by the Jamaican government or companies domiciled in Jamaica.

(iv) Credit recognised in the statement of profit or loss:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Current service cost	2,308	1,420
Interest cost	17,684	15,663
Interest income on assets	(23,936)	(27,138)
Interest on effect of asset ceiling	<u>3,050</u>	<u>5,647</u>
Total credit	<u>( 894)</u>	<u>( 4,408)</u>

The credit is recognised in staff cost [Note 26(b)].

(v) Remeasurement loss recognised in other comprehensive income:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Remeasurement loss on obligation for OCI	12,703	28,745
Remeasurement loss on assets for OCI	4,923	13,409
Change in effect of asset ceiling	<u>( 9,302)</u>	<u>(21,141)</u>
Total remeasurement loss, net	<u>8,324</u>	<u>21,013</u>

Notes to the Financial Statements (Continued)  
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10. Employee benefits (continued)

(a) Defined benefit pension plan (continued):

(vi) Remeasurement loss on defined benefit obligation arising from:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Changes in financial assumptions	25,355	24,427
Change in effect of asset ceiling	( 9,302)	(21,142)
Experience adjustments	<u>( 7,729)</u>	<u>17,728</u>
Remeasurement loss	<u>8,324</u>	<u>21,013</u>

(vii) Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
Inflation rate	5.00%	6.00%
Discount rate	9.50%	11.00%
Future salary increases	5.5%	6.50%
Future pension increases	<u>0.00%</u>	<u>0.00%*</u>

\*3.5% (2023: 5.0%) per annum for pensioners who retired and deferred pensioners who left before September 30, 2015.

Assumptions regarding future mortality are based on (GAM94S) tables with ages reduced by five years. The expected long-term rate of return is based on the assumed long-term rate of inflation.

The weighted average duration of the defined benefit obligation as at December 31, 2024, is 27 years (2023: 24 years).

The Group's estimated contribution for the 12 months after the reporting date is \$1.2 million (2023: \$1.1 million).



Notes to the Financial Statements (Continued)  
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10. Employee benefits (continued)

(a) Defined benefit pension plan (continued):

(viii) Sensitivity analysis:

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarises how the defined benefit obligation measured at the reporting date would have increased/ (decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analysis for each assumption, all others were held constant.

	Group and Company			
	2024		2023	
	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%
	\$'000	\$'000	\$'000	\$'000
Discount rate	(16,200)	19,940	(14,198)	17,457
Future salary growth	3,836	( 4,143)	3,775	( 3,491)
Pension increase	<u>14,282</u>	<u>(12,224)</u>	<u>12,391</u>	<u>(10,623)</u>

A one-year increase in life expectancy would lead to a change of \$2,282 (2023: \$2,007), while a decrease in life expectancy would result in a reduction of \$2,321 (2023: \$2,059).

There were no changes to the methods used to prepare the sensitivity analyses as compared to those used in the prior year.

(b) Defined contribution pension plan:

The Group's contributions to the defined contribution pension plan for the year aggregated \$1.8 million (2023: \$1.4 million). These are recognised in staff cost-other employees' costs [Note 26(b)] in profit or loss.

11. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at bank and in hand	<u>47,654</u>	<u>66,235</u>	<u>40,464</u>	<u>61,329</u>

Notes to the Financial Statements (Continued)  
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12. Restricted cash

	Group and Company	
	2024	2023
	\$'000	\$'000
Self-insurance sinking fund	52,750	57,524
Deposit guarantees on staff loans, IPP contracts etc.	<u>1,001</u>	<u>1,001</u>
	<u>53,751</u>	<u>58,525</u>

The self-insurance sinking fund is administered by the Company under the direction of the OUR [Note 1(b)]. The term deposits in the sinking fund earn interest at an average rate of - 5.25% and 8.0% (2023: 5.28% and 8.71%) per annum on the US\$ and J\$ instruments respectively.

13. Accounts receivable

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables	124,158	143,381	124,158	143,381
Unbilled revenue	28,144	30,804	28,144	30,804
Allowance for impairment losses	( 29,443)	( 49,055)	( 29,443)	( 49,055)
	122,859	125,130	122,859	125,130
Prepayments	23,915	16,994	23,915	16,787
Other receivables	<u>36,969</u>	<u>30,832</u>	<u>36,462</u>	<u>29,829</u>
	<u>183,743</u>	<u>172,956</u>	<u>183,236</u>	<u>171,746</u>

Other receivables as at December 31, 2024 includes a disputed amount recoverable from a supplier (see note 32).

Allowances for expected credit losses are determined upon origination of accounts receivable based on the model described in note 3(l). The average ECL rate as at December 31, 2024 was 3.48% (2023: 2.83%) [Note 33 (a)[i]].

The movement in impairment losses for trade receivables is as follows:

	Group and Company	
	2024	2023
	\$'000	\$'000
Balance at the beginning of year	49,055	63,136
Impairment loss recognised	10,058	9,108
Amounts written off	(29,670)	(23,189)
Balance at the end of year	<u>29,443</u>	<u>49,055</u>



Notes to the Financial Statements (Continued)  
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14. Inventories

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Fuel	9,245	9,597
Generation spares	9,122	5,588
Transmission, distribution and other spares	<u>43,942</u>	<u>25,756</u>
	62,309	40,941
Less: Allowance for impairment	( <u>4,065</u> )	( <u>4,808</u> )
	<u>58,244</u>	<u>36,133</u>

Inventories of \$138 million (2023: \$148 million) were recognised as inventory related expenses during the year and included in cost of sales.

15. Share capital

	<u>No of shares</u>
	'000
Authorised ordinary share capital:	
Ordinary stock units at no par value	315,733
Ordinary shares at no par value	<u>30,000,000</u>
	<u>30,315,733</u>

	<u>No of shares</u>	<u>2024</u>	<u>2023</u>
	'000	\$'000	\$'000
Issued and fully paid:			
Ordinary share capital			
Ordinary stock units	315,733	5,684	5,684
Ordinary shares	<u>21,512,462</u>	<u>256,102</u>	<u>256,102</u>
At year end (Note 29)	<u>21,828,195</u>	<u>261,786</u>	<u>261,786</u>

16. Capital reserve

This represents the accumulated surplus on revaluation of land (see note 5).

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
At the beginning of the year	31,725	13,566
Gain on revaluation of property	-	19,057
Transfer from capital reserves on disposal of property	<u>673</u>	( <u>898</u> )
At the end of the year	<u>32,398</u>	<u>31,725</u>

Notes to the Financial Statements (Continued)  
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17. Capital redemption reserve

This represents the reserve established to facilitate the value of the Class "G" preference shares redeemed.

18. Accounts payable and provisions

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Trade payables	101,521	92,516	101,060	91,845
Interest accrued on customer deposits and loans	10,158	9,971	10,158	9,971
Dividend payable (Note 29)	621	621	621	621
Other payables	21,501	40,129	21,286	39,970
Provisions (see below)	<u>2,865</u>	<u>2,626</u>	<u>2,865</u>	<u>2,626</u>
	<u>136,666</u>	<u>145,863</u>	<u>135,990</u>	<u>145,033</u>

Movement in provisions during the year was as follows:

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
At the beginning of the year	2,626	2,273
Provisions made during the year	422	459
Provisions utilised during the year	( <u>183</u> )	( <u>106</u> )
At the end of the year	<u>2,865</u>	<u>2,626</u>

19. Related party balances and transactions

(a) The following balances were due from/to related parties:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
(i) Due from:				
South Jamaica Power Company Limited	894	1,070	272	225
South Jamaica Energy Holdings Limited	-	-	-	4
MaruEnergy JPSCO I SRL	<u>28</u>	<u>36</u>	<u>28</u>	<u>36</u>
	<u>922</u>	<u>1,106</u>	<u>300</u>	<u>265</u>
(ii) Due to:				
South Jamaica Power Company Limited	29,179	31,181	27,426	30,194
Caribbean Blue Skies Energy Limited	-	-	35	6
EWP (Barbados) 1 SRL	<u>934</u>	<u>947</u>	<u>934</u>	<u>947</u>
	<u>30,113</u>	<u>32,128</u>	<u>28,395</u>	<u>31,147</u>



JAMAICA PUBLIC SERVICE COMPANY LIMITED

Notes to the Financial Statements (Continued)  
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19. Related party balances and transactions (continued)

(a) The following balances were due from/to related parties (continued):

These balances are unsecured, interest-free and are payable on demand. No impairment allowance has been recognised in the current year in respect of amounts owed by related companies.

Transactions with related companies in the ordinary course of business include the provision of technical support and related professional services, the acquisition of specialized equipment and spare parts and operation and maintenance support services, as below:

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
<b>Associate</b>		
Power purchase costs (including fuel)	189,895	189,243
<b>Other related parties</b>		
Insurance expenses	8,439	7,072
Rental expense	703	703
<b>Subsidiary</b>		
Operation and maintenance support expenses	705	1,870
<b>Majority shareholders</b>		
Management and other technical fees	<u>329</u>	<u>2,084</u>

- (i) The Group supplies electricity to related parties, including the Government of Jamaica [see note 33 (a)(i)]. Total revenue from the Government for the year was \$154.6 million (2023: \$155.4 million). Electricity sales to South Jamaica Power Company Limited was \$1.6 million (2023: \$1.3 million).
- (ii) The Group entered into a commercial lease agreement for its Head Office land and building situated at 6 Knutsford Boulevard, Kingston 5 with The Jamaica Public Service Company Limited (JPSCO) (Original 1973) Employees' Pension Plan, a related party. The lease agreement is for an initial lease term of ten (10) years, which commenced on January 1, 2013 and is renewable for a further period of five (5) years. The company also

(iii) Key management personnel

Key management personnel compensation comprised the following.

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Short-term employee benefits	1,707	2,186
Post-employment benefits	<u>58</u>	<u>52</u>
	<u>1,765</u>	<u>2,238</u>

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to group sponsored post-employment plans (see Note 10).

JAMAICA PUBLIC SERVICE COMPANY LIMITED

Notes to the Financial Statements (Continued)  
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20. Customers' deposits

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Customers' deposits for electricity service (i)	25,405	24,388
Customers' advances for construction (ii)	<u>29,186</u>	<u>27,861</u>
	54,591	52,249
Less: Current portion	<u>(28,768)</u>	<u>(33,988)</u>
Non-current portion	<u>25,823</u>	<u>18,261</u>

- (i) In general, the Group requires a deposit from customers before providing service. The deposit is refundable upon termination of service subject to certain conditions. Interest is paid annually to customers and applied to their electricity accounts according to rates prescribed by the OUR [Note 1(b)], which are broadly equivalent to rates applicable to savings deposit accounts.
- (ii) This represents customer advances for construction relate to non-interest-bearing deposits obtained by the Group in relation to construction projects being undertaken by potential customers. These amounts are refundable subject to certain conditions.

21. Loans

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
(a) <u>Short-term loan</u>		
BNS US\$5M 6% fixed rate, repayable July 2025	<u>5,000</u>	<u>-</u>
(b) <u>Long-term loans</u>		
(i) Kreditanstalt fur Weideraufbau of Frankfurt Government of Jamaica (KFW/GOJ), 7% fixed rate, repayable 2030 [€3.9M (2023: €3.9 million)]	4,047	4,335
(ii) Peninsula Corporation US\$10M 6.0% fixed rate, repayable 2027	10,000	10,000
(iii) NCB Syndicated J\$2.45B Loan 5.96% & US\$20M 5.95% fixed rate, repayable 2029 [J\$3.186 billion (2023: J\$3.611 billion)]	20,215	23,108
(iv) Citibank/Overseas Private Investment Corporation US\$120M variable rate, repayable 2026	30,567	45,731
(v) Caribbean Development Bank US\$25M variable rate, repayable 2029	12,500	15,000



## JAMAICA PUBLIC SERVICE COMPANY LIMITED

Notes to the Financial Statements (Continued)  
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21. Loans (continued)

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
(b) Long-term loans (continued)		
(vi) CIBC First Caribbean International Bank US\$ 80.625M fixed rate, repayable 2029		
Tranche A - US\$50.625M 6% fixed rate	25,049	30,597
Tranche B - J\$1.370B 7.5% fixed rate [J\$685 million (2023: J\$837 million)]	4,379	5,403
Tranche C – US\$20.0M 5.5% fixed rate	10,556	12,721
(vii) Sagicor Investments 8.4% fixed rate US\$180M JMD portion, repayable 2034 [J\$9.879 billion (2023: J\$10.7 billion)]	62,577	68,245
(viii) Sagicor Investments 7.35% fixed rate US\$180M USD portion, repayable 2029	84,594	99,420
(ix) BNS J\$2.362B 5.75% fixed rate, repayable 2027 [J\$1.418 billion (2023: J\$1.654 billion)]	9,062	10,673
(x) BNS US\$17.5M 4.75% fixed rate, repayable 2027	10,488	12,232
(xi) IDB Invest US\$100M variable rate repayable 2033	<u>49,509</u>	<u>-</u>
Total long-term loans	333,543	337,465
Less: Current portion	<u>( 63,644)</u>	<u>( 56,062)</u>
Non-current portion	<u>269,899</u>	<u>281,403</u>

- (i) This loan was received from the Government of Jamaica, based on a formal on-lending agreement dated January 17, 1996. Under the terms of the original agreement with KFW, the loan is unsecured and repayable commencing in 2010 through 2030. Interest is payable semi-annually in arrears.
- (ii) This loan is unsecured and is repayable in two instalments of US\$1 million in 2025 and US\$9 million at maturity in September 2027. Interest is paid quarterly at a fixed interest rate of 6.0%.
- (iii) This loan is an unsecured Syndicated Jamaican Dollar loan and has a fixed interest rate 5.95% (JMD) and 5.96% (USD). The funds were designated for refinancing of existing loan, capital expenditure and general corporate purposes. Repayment is in quarterly instalments of J\$212.46 million (US\$1.39 million equivalent) beginning December 2019 with bullet payment of J\$1.274 billion (US\$8.37 million equivalent) at maturity. The amount due is carried net of debt issuance costs of \$0.15 million (2023: \$ 0.20 million).

## JAMAICA PUBLIC SERVICE COMPANY LIMITED

Notes to the Financial Statements (Continued)  
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21. Long-term loans (continued)

- (iv) This unsecured loan is in two tranches – \$100 million from OPIC and \$20 million from Citibank. The funds were designated for capital expenditure. The OPIC tranche has a variable interest rate of the Applicable Base Rate (ABR) plus 5.0% and 5.30% and matures on December 15, 2026. The Citibank tranche has a variable rate of 3-month LIBOR and was fully repaid in December 2021. Repayment is in quarterly instalments beginning March 2020. The amount due is carried net of debt issuance costs of \$0.20 million (2023: \$0.42 million).
- (v) This unsecured loan has a variable rate calculated using a spread of 1.24% over the weighted cost of borrowings for the previous three-month period. The utilization of the funds is restricted to the Street Lighting Retrofitting Project. Repayment will be in forty (40) equal instalments of \$0.625 million.
- (vi) This unsecured loan is in three tranches – US\$50.625 million (Tranche A) with a fixed rate of 6% for the first five years and J\$1.370 billion (US\$10 million equivalent) – (Tranche B) with a fixed rate of 7.5% for the first five years and US\$20 million with a fixed rate of 5.5% (Tranche C). Thereafter, interest is paid at a variable rate of 3-month LIBOR plus 3.5% on Tranche A and WATBY plus 4.50% on Tranche B and 3-month LIBOR plus 2.8% on Tranche C. Principal is repaid in quarterly instalments of US\$1.962 million and J\$38.05 million respectively which commenced on January 2020. Interest is paid quarterly. The amount is carried net of debt issuance costs in the amount of \$0.26 million. (2023: \$0.39 million).
- (vii) Sagicor US\$180 million (JMD portion - J\$10.68 billion) – This loan is unsecured and has a fixed rate of 8.4% with a 5-year moratorium on the principal. The funds were utilized for liquidating and refinancing of existing debt. Quarterly principal repayment of J\$267 million began in May 2024 with maturity in February 2034. The amount is carried net of debt issuance costs of \$0.58 million. (2023: \$0.68 million)
- (viii) Sagicor US\$180 million (USD portion - US \$100 million) – This loan is unsecured and has a fixed rate of 7.35% with a 5-year moratorium on the principal. The funds were utilized for liquidating and refinancing of existing debt. Quarterly principal repayment of US\$5 million began in May 2024 with maturity in February 2029. The amount is carried net of debt issuance costs of \$0.41 million. (2023: \$0.58 million).
- (ix) This loan is unsecured and has a fixed rate of 4.75%. the funds were utilized for general corporate purposes. There is six-month moratorium with semi-annual principal repayment of US\$875k commenced in January 2021 and mature will July 2027. The amount is carried net of debt issuance costs of \$0.01 million.
- (x) This loan is unsecured and has a fixed rate of 5.75%. The funds were utilized for general corporate purposes. There is a six-month moratorium with semi-annual principal repayment of J\$118.125 million (US\$0.77 million equivalent) beginning January 2021 and mature in July 2027.
- (xi) This loan is unsecured and has a variable interest rate of 3-month SOFR (applicable rate) plus a spread of 3%. The funds were utilized for capital expenditure. There is a two-year moratorium with quarterly interest payment. This amount is carried net of debt issuance cost of \$0.49 million.



## JAMAICA PUBLIC SERVICE COMPANY LIMITED

Notes to the Financial Statements (Continued)  
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21. Long-term loans (continued)

Reconciliation of movement of long-term loans to cash flows arising from financing activities;

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Balance at start of the year	337,465	371,492
Proceeds from loans	50,000	-
Repayment of long-term loan	( 54,378)	( 33,317)
Debt issuance cost	( 2,111)	( 2,294)
Other changes	<u>2,567</u>	<u>1,584</u>
Balance at end of the year	<u>333,543</u>	<u>337,465</u>

22. Preference shares

This comprises cumulative preference shares as follows:

	<u>Group and Company</u>			
	<u>Number of shares</u>			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	'000	'000	\$'000	\$'000
7% Class B shares	420	420	38	38
5% Class C shares	66	66	6	6
5% Class D shares	680	680	61	61
6% Class E shares	300	300	27	27
9.5% Class F shares	<u>2,456</u>	<u>2,456</u>	<u>24,556</u>	<u>24,556</u>
	<u>3,922</u>	<u>3,922</u>	<u>24,688</u>	<u>24,688</u>

The preference shares listed as Classes B, C, D and E are cumulative non-voting and are preferred only in respect of return of capital and any dividends in arrears on a winding up. Dividends on these shares are payable quarterly at fixed rates per annum in Jamaica dollars.

Class F preference shares are listed on the Jamaica Stock Exchange and are non-redeemable. The significant terms and conditions of these shares are as follows:

- (i) Priority of payment to receive all dividends over any form of capital distributions;
- (ii) Full voting rights on winding up;
- (iii) Ranking in priority to ordinary shares and stock units in issue (but behind preference shares listed as classes B, C, D and E) in the event of a winding up; and
- (iv) Dividends are payable quarterly at fixed rates per annum in Jamaica dollars indexed to the United States dollar.

Preference shares have been classified in these financial statements as financial liabilities.

## JAMAICA PUBLIC SERVICE COMPANY LIMITED

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23. Deferred taxation

Deferred taxation relates to:

	<u>Group and Company</u>						
	Balance at December 31, 2022 \$'000	Recognised in profit of loss [Note 28 (a)] \$'000	Recognised in other comprehensive income \$'000	Balance at December 31, 2023 \$'000	Recognised in profit of loss [Note 28 (a)] \$'000	Recognised in other comprehensive income \$'000	Balance at December 31, 2024 \$'000
Employee benefits, net	( 11,765)	( 4,560)	7,004	( 9,321)	( 604)	2,775	( 7,150)
Property, plant & equipment	( 41,084)	( 3,368)	-	( 44,452)	5,770	-	( 38,682)
Right-of-use assets	(157,846)	11,840	-	(146,006)	8,869	-	(137,137)
Lease obligations	173,037	( 8,389)	-	164,648	(6,189)	-	158,459
Accounts payable	13,590	407	-	13,997	69	-	14,066
Other	<u>1,879</u>	<u>2,223</u>	<u>-</u>	<u>4,102</u>	<u>139</u>	<u>-</u>	<u>4,241</u>
	<u>( 22,189)</u>	<u>( 1,847)</u>	<u>7,004</u>	<u>( 17,032)</u>	<u>8,054</u>	<u>2,775</u>	<u>( 6,203)</u>

24. Decommissioning provision

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Decommissioning obligation at the beginning of the year	28,775	28,160
Unwinding of discount (included in finance costs)	437	615
Provision utilized during the year	<u>( 656)</u>	<u>-</u>
	<u>28,556</u>	<u>28,775</u>

The Group estimates the total undiscounted cash flows required to settle its decommissioning obligations is approximately \$37.6 million, which will be incurred between 2027 and 2028. The provision has been calculated using a discount rate of 3.2% - 4.8%, which reflects the appropriate risk-based finance cost.



Notes to the Financial Statements (Continued)  
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25. Operating revenue

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Supply of electricity	1,066,358	1,054,104	1,066,358	1,054,104
Operation and maintenance services	8,300	7,898	-	-
Other revenue	18,178	10,809	17,852	9,771
	<u>1,092,836</u>	<u>1,072,811</u>	<u>1,084,210</u>	<u>1,063,875</u>

26. Expenses

## (a) Cost of sales

	<u>Group and Company</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Fuel	508,652	515,024
Purchased power (excluding fuel) [Note 4]	145,032	143,294
Other	34	125
	<u>653,718</u>	<u>658,443</u>

## (b) Operating expenses

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Depreciation and amortisation	127,922	117,785	127,912	117,775
Staff cost	88,104	72,174	82,906	67,093
Directors' fees and emoluments	72	65	72	65
Repairs and maintenance	17,051	14,390	16,370	13,706
Selling expense (advertising and marketing)	1,419	1,088	1,419	1,088
Audit fees	324	282	324	282
General expenses	68,311	59,471	66,827	58,096
	<u>303,203</u>	<u>265,255</u>	<u>295,830</u>	<u>258,105</u>

Notes to the Financial Statements (Continued)  
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26. Expenses (continued)

## (c) Net finance cost

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Realised foreign exchange losses, net	( 333)	( 1,319)	( 333)	( 1,319)
Unrealised foreign exchange (losses)/gains, net	( 1,183)	986	( 1,192)	1,051
Foreign exchange losses, net	( 1,516)	( 333)	( 1,525)	( 268)
Other finance costs:				
Short-term loan	( 133)	-	( 133)	-
Long-term loans	(23,511)	(26,506)	(23,511)	(26,506)
Leases	(36,047)	(37,443)	(36,047)	(37,443)
Customer deposits	( 1,404)	( 774)	( 1,404)	( 774)
Bank overdraft and other	( 978)	( 820)	( 978)	( 820)
Preference dividends	( 2,340)	( 2,334)	( 2,340)	( 2,334)
Debt issuance costs and expenses	( 183)	( 745)	( 183)	( 745)
Other debt expenses	( 1,396)	( 328)	( 1,396)	( 328)
Interest capitalised during construction	1,613	2,240	1,613	2,240
	(64,379)	(66,710)	(64,379)	(66,710)
	(65,895)	(67,043)	(65,904)	(66,978)
Finance income:				
Interest income	8,996	7,137	8,992	7,125
	(56,899)	(59,906)	(56,912)	(59,853)

Interest income arises materially from treasury transactions entered into in the ordinary course of business.



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27. Other income and expenses

(a) Other income comprises:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Miscellaneous income	702	1,826	702	1,825
Rental income	170	223	170	223
Credit balances and other deposits written back	6,225	298	6,225	298
Income from scrap sales and other settlements	132	3,083	132	3,083
Gain on sale of property, plant and equipment	<u>1,564</u>	<u>173</u>	<u>1,564</u>	<u>173</u>
	<u>8,793</u>	<u>5,603</u>	<u>8,793</u>	<u>5,602</u>

(b) Other expenses comprise:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Miscellaneous expenses	478	61	478	61
Restructuring costs	13	978	13	978
Inventory and other costs written off	<u>331</u>	<u>831</u>	<u>331</u>	<u>831</u>
	<u>822</u>	<u>1,870</u>	<u>822</u>	<u>1,870</u>

28. Taxation

(a) Taxation is computed at 33⅓% and 25% of the results for the year, adjusted for tax purposes and comprises:

	<u>The Group</u>		<u>The Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Current tax expense:				
Current income tax expense	28,407	20,744	28,186	20,376
Deferred tax:				
Origination and reversal of temporary differences (Note 22)	<u>( 8,054)</u>	<u>1,847</u>	<u>( 8,054)</u>	<u>1,847</u>
Taxation expense	<u>20,353</u>	<u>22,591</u>	<u>20,132</u>	<u>22,223</u>

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28. Taxation (continued)

(b) Reconciliation of tax expense:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	\$'000	\$'000	\$'000	\$'000
Profit before taxation	<u>82,236</u>	<u>90,746</u>	<u>81,272</u>	<u>97,224</u>
Computed "expected" tax at 33⅓% or 25%	27,304	30,287	27,091	32,408
Tax effect of differences between profit for financial statements and tax reporting purposes in respect of:				
Investment allowances	( 5,109)	( 5,899)	( 5,109)	( 5,899)
Dividends received from subsidiary	-	-	( 1,869)	( 5,042)
Loan fees disallowed	526	358	526	358
Share of results of interest in equity-accounted investee	( 1,769)	( 2,488)	-	-
Other	<u>( 599)</u>	<u>333</u>	<u>( 507)</u>	<u>398</u>
Taxation expense	<u>20,353</u>	<u>22,591</u>	<u>20,132</u>	<u>22,223</u>

29. Earnings per share (EPS)

EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

	<u>Group</u>	
	<u>2024</u>	<u>2023</u>
	\$'000	\$'000
Profit for the year	61,883	68,155
Number of shares (shown in thousands - Note 14)	<u>21,828,195</u>	<u>21,828,195</u>
Earnings per share/stock unit	<u>0.28¢</u>	<u>0.31¢</u>



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30. Dividends

(a) Dividends on ordinary shares:

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Final dividend – Dec-24: 0.00114530769582183¢ (Dec 23: 0.004123107705¢) per ordinary share-gross	25,000	9,000
Interim dividend – Nov-24: Nil (Nov 23: 0.0000916246157¢) per ordinary share-gross	-	2,000
Interim dividend – Sept-24: Nil (Sept 23: 0.000549747694¢) per ordinary share-gross	-	12,000
Interim dividend – Aug-24: 0.0000916246156657465¢ (Aug 23: 0.0003664984627¢) per ordinary share-gross	2,000	8,000
Interim dividend – Jun-24: 0.0000687184617¢ (Jun 23: Nil) per ordinary share-gross	1,500	-
Interim dividend – Apr-24: 0.0000458123078¢ (Apr-23: Nil) per ordinary share-gross	<u>1,000</u>	<u>-</u>
	<u>29,500</u>	<u>31,000</u>

(b) Dividends on cumulative preference shares accrued at December 31, 2024 amounted to \$0.6 million (2023: \$0.6 million) [see note 17].

31. Commitments for expenditure

As at December 31, 2024, commitments for capital expenditure, for which no provision has been made in these financial statements, amounted to approximately \$6.2 million (2023: \$3 million). At the reporting date, the Group has sufficient cash resources to fulfil these commitments.

Notes to the Financial Statements (Continued)  
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(Expressed in United States Dollars)

32. Legal disputes and contingencies

Other receivables include a balance of \$26,991,000 relating to amounts recoverable from a key fuel supplier. Based on the contractual arrangements, in the event of the non-supply of the product, under particular circumstances, the Group can recover the price differential incurred in acquiring a suitable replacement product. However, the supplier has indicated that they are not of the opinion that the circumstances giving rise to the non-supply of the product entitled the Group to recover such additional cost. The contract provides for specific remedies and guidance to address any matters of disagreement between the parties and these are currently being explored to ultimately achieve resolution.

The Group is subject to various lawsuits and other third party challenges in the normal course of business. The outcome of these matters cannot be determined with certainty. However, where in the opinion of management and its legal counsel, it is more likely than not that an outflow of resources by the Group will occur and the amount can be determined, a provision is made. As at December 31, 2024, provisions of \$2.9 million (2023: \$2.6 million) relating to pending legal actions, were made in the financial statements (Note 18).

33. Financial instruments

(a) Financial risk management:

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks arising in the ordinary course of the Group's business, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Board of Directors oversees the Group's risk management framework. Key management has responsibility for monitoring the Group's risk management policies in their specified areas and report quarterly to the Board of Directors on their activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.



Notes to the Financial Statements (continued)  
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(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

The Group's directors are assisted in their oversight functions by the Group's internal audit department. The internal audit department undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

(i) Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables, unbilled revenue and other financial assets, which is stated net of an allowance for impairment losses.

As part of its management of credit risk, the Group requires account deposits from most customers. Additionally, management has processes in place for the prompt disconnection of services to, and recovery of amounts owed by defaulting customers.

Trade receivables

The aged receivable balances are regularly monitored. Allowances are determined upon origination of the trade accounts receivable based on a model that calculates the expected credit loss (“ECL”) of the trade accounts receivable and are updated over the lifetime of the receivables.

The Group estimates expected credit losses (“ECL”) on trade receivables using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers. The following table provides information about the ECL for trade receivables.

Age buckets	Group and Company			
	2024			
	Computed ECL rate	Gross carrying amount \$'000	Impairment loss allowance \$'000	Credit impaired
1 - 30 days	3.45%	83,788	2,895	No
31-60 days	7.11%	3,392	241	No
61-90 days	56.55%	2,965	1,677	No
Over 90 days	72.41%	<u>34,013</u>	<u>24,630</u>	Yes
		<u>124,158</u>	<u>29,443</u>	

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(i) Credit risk (continued):

The Group estimates expected credit losses (“ECL”) on trade receivables using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers. The following table provides information about the ECL for trade receivables.

Age buckets	Group and Company			
	2024			
	Computed ECL rate	Gross carrying amount \$'000	Impairment loss allowance \$'000	Credit impaired
1 - 30 days	3.45%	83,788	2,895	No
31-60 days	7.11%	3,392	241	No
61-90 days	56.55%	2,965	1,677	No
Over 90 days	72.41%	<u>34,013</u>	<u>24,630</u>	Yes
		<u>124,158</u>	<u>29,443</u>	

Age buckets	Group and Company			
	2023			
	Computed ECL rate	Gross carrying amount \$'000	Impairment loss allowance \$'000	Credit impaired
1 - 30 days	3.45%	83,134	2,869	No
31-60 days	15.91%	3,959	630	No
61-90 days	32.83%	2,187	718	No
Over 90 days	82.88%	<u>54,101</u>	<u>44,838</u>	Yes
		<u>143,381</u>	<u>49,055</u>	

The Group considers concentrations of risk by reference to the amount of exposure it has to individual customers, including their related parties. At December 31, 2024, the Group had significant concentrations of credit risk in respect of amounts receivable from the Government of Jamaica and its affiliates, in respect of electricity charges, aggregating \$16.5 million (2023: \$17.2 million).



Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(i) Credit risk (continued):

*Restricted cash, cash and cash equivalents*

Cash and short-term deposit balances are managed by the Group's Treasury department and amounts are held with reputable banks and financial institutions with high credit ratings and considered to have minimal risk of default.

Maximum exposure to credit risk

Impairment on restricted cash, cash and cash equivalents have been measured at 12 months ECL and reflects the short maturities of the exposures. The Group considered that cash and cash equivalents have low credit risk and therefore the ECL on such financial assets is immaterial.

(ii) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

Key management of the Group aims at maintaining flexibility in funding by keeping lines of funding available as well as by acquiring and maintaining prudent cash resources in appropriate currencies.

For example, the Group's Treasury department receives and monitors information from other departments regarding the liquidity profile of their financial assets and liabilities and maintains short-term liquid assets to ensure that sufficient liquidity is maintained within the Group as a whole. As at December 31, 2024, the Group had unutilized lines of credit aggregating \$144.5 million (2023: \$88.5 million).

An analysis of the contractual maturities of the Group's financial liabilities is presented below. The analysis is provided by estimating the timing of gross payments (including principal and interest) in respect of the amounts recognised in the statement of financial position.

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(ii) Liquidity risk (continued):

	The Group						
	2024						
	Contractual undiscounted cash flows						
	Carrying amount \$'000	Total cash outflow \$'000	Less than 1 year \$'000	1-2 years \$'000	3-5 years \$'000	6-10 years \$'000	More than 10 years \$'000
Short-term loan	5,000	5,172	5,172	-	-	-	-
Accounts payable*	133,802	133,802	133,802	-	-	-	-
Long-term loans	333,543	424,122	93,656	89,049	160,210	80,057	-
Lease obligations	475,378	760,989	66,566	118,742	170,996	232,409	172,276
Preference shares**	24,688	59,698	2,334	2,334	7,002	11,670	36,358
Due to related parties	30,113	30,113	30,113	-	-	-	-
Customer deposits	<u>54,591</u>	<u>71,777</u>	<u>1,146</u>	<u>30,332</u>	<u>3,437</u>	<u>5,729</u>	<u>31,134</u>
Total financial liabilities	<u>1,057,115</u>	<u>1,485,673</u>	<u>332,789</u>	<u>240,457</u>	<u>341,645</u>	<u>329,865</u>	<u>239,768</u>
	2023						
	Contractual undiscounted cash flows						
	Carrying amount \$'000	Total cash outflow \$'000	Less than 1 year \$'000	1-2 years \$'000	3-5 years \$'000	6-10 years \$'000	More than 10 years \$'000
Accounts payable*	137,984	137,984	137,984	-	-	-	-
Long-term loans	337,465	428,327	86,665	103,782	178,011	59,869	-
Lease obligations	493,943	839,174	76,274	74,897	192,656	269,947	225,400
Preference shares**	24,688	59,698	2,334	2,334	7,002	11,670	36,358
Due to related parties	32,128	32,128	32,128	-	-	-	-
Customer deposits	<u>52,249</u>	<u>65,858</u>	<u>907</u>	<u>28,768</u>	<u>2,722</u>	<u>4,536</u>	<u>28,924</u>
Total financial liabilities	<u>1,078,457</u>	<u>1,563,169</u>	<u>336,292</u>	<u>209,781</u>	<u>380,391</u>	<u>346,022</u>	<u>290,682</u>



Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(ii) Liquidity risk (continued):

	The Company						
	2024						
	Contractual undiscounted cash flows						
	Carrying amount \$'000	Total cash outflow \$'000	Less than 1-year \$'000	1-2 years \$'000	3-5 years \$'000	6-10 years \$'000	More than 10 years \$'000
Short-term loan	5,000	5,172	5,172	-	-	-	-
Accounts payable*	133,125	133,125	133,125	-	-	-	-
Long-term loans	333,543	424,122	93,656	89,049	160,210	80,057	-
Lease obligations	475,378	760,989	66,566	118,742	170,996	232,409	172,276
Preference shares**	24,688	59,698	2,334	2,334	7,002	11,670	36,358
Due to related parties	28,395	28,395	28,395	-	-	-	-
Customer deposits	54,591	71,777	1,146	30,332	3,437	5,729	31,134
Total financial liabilities	<u>1,054,720</u>	<u>1,483,278</u>	<u>330,394</u>	<u>240,457</u>	<u>341,645</u>	<u>329,865</u>	<u>239,768</u>
	2023						
	Contractual undiscounted cash flows						
	Carrying amount \$'000	Total cash outflow \$'000	Less than 1-year \$'000	1-2 years \$'000	3-5 years \$'000	6-10 years \$'000	More than 10 years \$'000
	Carrying amount \$'000	Total cash outflow \$'000	Less than 1-year \$'000	1-2 years \$'000	3-5 years \$'000	6-10 years \$'000	More than 10 years \$'000
Accounts payable*	137,148	137,148	137,148	-	-	-	-
Long-term loans	337,465	428,327	86,665	103,782	178,011	59,869	-
Lease obligations	493,943	839,174	76,274	74,897	192,656	269,947	225,400
Preference shares**	24,688	59,698	2,334	2,334	7,002	11,670	36,358
Due to related parties	31,147	31,147	31,147	-	-	-	-
Customer deposits	52,249	65,858	907	28,768	2,722	4,536	28,924
Total financial liabilities	<u>1,076,640</u>	<u>1,561,352</u>	<u>334,475</u>	<u>209,781</u>	<u>380,391</u>	<u>346,022</u>	<u>290,682</u>

\*Excludes provisions

\*\*The preference shares have no specific maturity dates.

(iii) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the value of the Group's assets, the amount of its liabilities and/or the Group's income. Market risk arises in the Group due to fluctuations in the value of assets and liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Market risk (continued):

The nature of the Group's exposures to market risks and its objectives, policies and processes for managing these risks have not changed materially over the prior year.

For each of the major components of market risk, the Group has policies and procedures in place which detail how each risk is managed and monitored. The management of each of these major components of market risk and the exposure of the Group at the reporting date to each major risk are addressed below.

At December 31, 2024, the Group had no exposure to market risk relating to changes in equity prices.

• Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group contracts financial liabilities at fixed or floating interest rates. These primarily relate to loans, customer deposits, certain trade payables and bank overdrafts.

The maturity profiles and interest rates of the Group's borrowings are disclosed in Note 20, and the details of customer deposits in Note 19.

Interest bearing financial assets relate to cash and cash equivalents and restricted cash.

At December 31, 2023, the interest profile of the Group's interest-bearing financial instruments was:

	Group and Company	
	Carrying amount	
	2024 \$'000	2023 \$'000
Fixed rate instruments:		
Financial assets	<u>56,898</u>	<u>58,627</u>
Financial liabilities	<u>(320,164)</u>	<u>(301,421)</u>
Variable rate instruments:		
Financial liabilities	<u>( 68,472)</u>	<u>( 85,120)</u>

Fair value sensitivity analysis for fixed rate instruments:

The Group does not account for any fixed rate financial assets and liabilities at fair value. Therefore, a change in interest rates at the reporting date would not affect the statement of profit or loss or other comprehensive income.



Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Market risk (continued)

• Interest rate risk (continued):

Cash flow sensitivity analysis for variable rate instruments:

A change of 25/50 (2016: 25/25) basis points in interest rates at the reporting date would have increased/decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Group and Company			
	Effect on profit or loss			
	2024		2023	
	25bp increase \$'000	50bp decrease \$'000	25bp increase \$'000	25bp decrease \$'000
Cash flow sensitivity (net)	( 171 )	342	( 213 )	213

• Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group incurs foreign currency risk primarily on the settlement of accounts receivable, accounts payable and borrowings that are denominated in a currency other than the United States dollar. The currencies giving rise to significant foreign currency risk are the Jamaica dollar (J\$) and Euro (€).

The Group manages foreign exchange exposure by maintaining adequate liquid resources in appropriate currencies and by managing the timing of payments on foreign currency liabilities.

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Market risk (continued)

• Foreign currency risk (continued):

The table below shows the Group's foreign currency exposure at the reporting date:

	Group			
	2024			
	J\$ \$'000	€ \$'000	£ \$'000	US\$ equivalent \$'000
Cash and cash equivalents	1,487,709	-	-	9,511
Trade and other receivables	27,769,747	-	-	177,538
Accounts payable	(10,009,894)	( 6,183 )	( 74 )	( 70,537 )
Long-term loans	(15,167,740)	( 3,879 )	-	(101,017)
Customer deposits	( 8,538,869 )	-	-	( 54,591 )
	( 4,459,047 )	(10,062)	( 74 )	( 39,096 )

	2023			
	J\$ \$'000	€ \$'000	£ \$'000	US\$ equivalent \$'000
Cash and cash equivalents	6,143,781	-	-	39,650
Trade and other receivables	25,929,723	-	-	167,342
Accounts payable	(11,020,894)	(4,994)	-	( 77,299 )
Long-term loans	(16,782,044)	(3,879)	-	(112,640)
Customer deposits	( 8,096,007 )	-	-	( 52,249 )
	( 3,825,441 )	(8,873)	-	( 35,196 )



Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Market risk (continued)

- Foreign currency risk (continued):

	Company			
	2024			
	J\$ \$'000	€ \$'000	£ \$'000	US\$ equivalent \$'000
Cash and cash equivalents	1,358,728	-	-	8,687
Trade and other receivables	27,690,133	-	-	177,029
Accounts payable	(10,008,150)	( 6,183)	( 74)	( 70,526)
Long-term loans	(15,167,740)	( 3,879)	-	(101,017)
Customer deposits	( 8,538,869)	-	-	( 54,591)
	( 4,665,898)	(10,062)	( 74)	( 40,418)
	2023			
	J\$ \$'000	€ \$'000	£ \$'000	US\$ equivalent \$'000
Cash and cash equivalents	6,094,299	-	-	39,331
Trade and other receivables	25,815,032	-	-	166,602
Accounts payable	(10,928,919)	(4,994)	-	( 70,532)
Long-term loans	(16,782,044)	(3,879)	-	(112,640)
Customer deposits	( 8,096,007)	-	-	( 52,249)
	( 3,897,639)	(8,873)	-	( 29,488)

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(a) Financial risk management (continued):

(iii) Market risk (continued)

- Foreign currency risk (continued):

Sensitivity analysis:

A 4% (2023: 4%) strengthening of the United States dollar against the Jamaica dollar and the Euro would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Group and Company			
	2024		2023	
	Equity \$'000	Profit/(loss) \$'000	Equity \$'000	Profit/(loss) \$'000
J\$	1,152	1,152	967	967
GBP (£)	3,536	3,536	-	-
Euro (€)	404	404	381	381
Total	5,092	5,092	1,348	1,348

A 1% (2023: 1%) weakening of the United States dollar against the Jamaica dollar and the Euro respectively, at year end would have the following effect, on the basis that all other variables remain constant.

	Group and Company			
	2024		2023	
	Equity \$'000	Profit \$'000	Equity \$'000	Profit \$'000
J\$	( 302)	( 302)	(254)	(254)
GBP (£)	( 929)	( 929)	-	-
Euro (€)	( 106)	( 106)	(100)	(100)
Total	(1,337)	(1,337)	(354)	(354)

(b) Operational risk:

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes including regulatory risk, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(b) Operational risk (continued):

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within the Group.

(c) Capital management:

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To enable creditor and market confidence by maintaining an optimal capital structure
- To maintain a strong capital base to support the development of its business and compliance with loan covenants; and
- To comply with the operational requirements set by the regulators.

The Group monitors capital on the basis of debt to equity which is calculated as long-term debt divided by shareholders' equity.

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

(d) Fair value disclosure:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument which is substantially the same, discounted cash flow analysis or other valuation models. Management assessed that the carrying amounts of cash and cash equivalents, accounts receivable, related party balances, bank overdraft, accounts payable and short-term loan approximate their fair values largely due to the short-term maturities of these instruments. Additionally, the cost of all monetary assets and liabilities has been appropriately adjusted to reflect estimated losses on realization or discounts on settlement.

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

33. Financial instruments (continued)

(d) Fair value disclosure (continued):

The fair value of customer deposits and refundable customer advances cannot practically be determined, as payment dates and amounts are not determinable.

Long-term loans and preference shares are valued using the following techniques:

- Obtain bid yield from yield curve provided by a recognised pricing source (which uses market-supplied indicative bids).
- Using this yield, determine price using discounted cash flow.
- Apply quoted price to estimate fair value.

Set out below is a comparison of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Group and Company			
	2024		2023	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Financial liabilities:				
Preference shares	24,688	42,331	24,688	46,059
Long term loans	<u>333,543</u>	<u>382,315</u>	<u>337,465</u>	<u>387,700</u>

The following table provides the fair value measurement hierarchy of the Group's liabilities.

	Group and Company		
	2024		
	Level 1 \$'000	Level 3 \$'000	Total \$'000
Liabilities for which fair values are disclosed:			
Preference shares	(42,331)	-	( 42,331)
Long term loans	-	(382,315)	(382,315)
	<u>(42,331)</u>	<u>( 82,315)</u>	<u>424,646</u>



Notes to the Financial Statements (continued)  
December 31, 2024  
*(Expressed in United States Dollars)*

33. Financial instruments (continued)

(d) Fair value disclosure (continued):

	<u>The Group and Company</u>		
	<u>2023</u>		
	<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Liabilities for which fair values are disclosed:			
Preference shares	(46,059)	-	( 46,059)
Long term loans	-	(387,700)	(387,700)
	<u>(46,059)</u>	<u>(387,700)</u>	<u>433,759</u>

34. Restatement

During the year, the Group determined that certain properties held did not reflect their appropriate fair value in the prior year, in accordance with the Group's accounting policy. As a result, the Group determined that Property, plant and equipment and Capital Reserves were undervalued by \$12,395,000. In accordance with shareholders' agreement dated July 26, 2011, certain properties should have been derecognised in the prior year. However, these properties were erroneously retained on the balance sheet, resulting in an overstatement of property, plant and equipment by \$5,333,000. This has now been corrected through the derecognition of these properties, which have been treated as a distribution to minority shareholders. These adjustments have a net impact of \$7,062,000 and have impacted the statements of financial position as at December 31, 2022 and 2023, the statement of profit or loss and other comprehensive income and the statement of changes in equity for the year ended 31 December 2022 and 2023.

The impact on the 2023 and 2022 statement of financial position were as follows:

	<u>Group</u>		
	<u>2023</u>		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Property, plant and equipment	831,478	7,062	838,540
Total other assets	<u>902,419</u>	<u>-</u>	<u>902,419</u>
	<u>1,733,897</u>	<u>7,062</u>	<u>1,740,959</u>
Total liabilities	1,133,659	-	1,133,659
Share capital	261,786	-	261,786
Capital reserve	24,663	7,062	31,725
Capital redemption reserve	3,000	-	3,000
Retained earnings	<u>310,789</u>	<u>-</u>	<u>310,789</u>
Total equity and liabilities	<u>1,733,897</u>	<u>7,062</u>	<u>1,740,959</u>

Notes to the Financial Statements (continued)  
December 31, 2024  
*(Expressed in United States Dollars)*

34. Restatement (continued)

	<u>Company</u>		
	<u>2023</u>		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Property, plant and equipment	831,439	7,062	838,501
Total other assets	<u>858,221</u>	<u>-</u>	<u>858,221</u>
	<u>1,689,660</u>	<u>7,062</u>	<u>1,696,722</u>
Total liabilities	1,131,572	-	1,131,572
Share capital	261,786	-	261,786
Capital reserve	24,663	7,062	31,725
Capital redemption reserve	3,000	-	3,000
Retained earnings	<u>268,639</u>	<u>-</u>	<u>268,639</u>
Total equity and liabilities	<u>1,689,660</u>	<u>7,062</u>	<u>1,696,722</u>

	<u>Group</u>		
	<u>2022</u>		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Property, plant and equipment	810,872	(5,333)	805,539
Total other assets	<u>970,040</u>	<u>-</u>	<u>970,040</u>
	<u>1,780,912</u>	<u>(5,333)</u>	<u>1,775,579</u>
Total liabilities	1,210,482	-	1,210,482
Share capital	261,786	-	261,786
Capital reserve	18,899	(5,333)	13,566
Capital redemption reserve	3,000	-	3,000
Retained earnings	<u>286,745</u>	<u>-</u>	<u>286,745</u>
Total equity and liabilities	<u>1,780,912</u>	<u>(5,333)</u>	<u>1,775,579</u>

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

34. Restatement (continued)

	Company		
	2022		
	As previously reported \$'000	Adjustments \$'000	As restated \$'000
Property, plant and equipment	810,840	(5,333)	805,507
Total other assets	<u>921,166</u>	<u>-</u>	<u>921,166</u>
	<u>1,732,006</u>	<u>(5,333)</u>	<u>1,726,673</u>
Total liabilities	1,210,572	-	1,210,572
Share capital	261,786	-	261,786
Capital reserve	18,899	(5,333)	13,566
Capital redemption reserve	3,000	-	3,000
Retained earnings	<u>237,749</u>	<u>-</u>	<u>237,749</u>
Total equity and liabilities	<u>1,732,006</u>	<u>(5,333)</u>	<u>1,726,673</u>

The impact on the 2023 and 2022 Statement of Profit or Loss and Other Comprehensive Income were as follows:

	Group		
	2023		
	As previously reported \$'000	Adjustments \$'000	As restated \$'000
Profit for the year	68,155	-	68,155
<b>Other comprehensive income:</b>			
Gain on revaluation of property	6,662	12,395	19,057
Remeasurement loss on Defined benefit obligation	(21,013)	-	(21,013)
Tax on remeasurement loss on Defined benefit obligation	<u>7,004</u>	<u>-</u>	<u>7,004</u>
Total comprehensive income attributable to shareholders	<u>60,808</u>	<u>12,395</u>	<u>73,203</u>

Notes to the Financial Statements (continued)  
December 31, 2024  
(Expressed in United States Dollars)

34. Restatement (continued)

	Company		
	2023		
	As previously reported \$'000	Adjustments \$'000	As restated \$'000
Profit for the year	75,001	-	75,001
<b>Other comprehensive income:</b>			
Gain on revaluation of property	6,662	12,395	19,057
Remeasurement loss on Defined benefit obligation	(21,013)	-	(21,013)
Tax on remeasurement loss on Defined benefit obligation	<u>7,004</u>	<u>-</u>	<u>7,004</u>
Total comprehensive income attributable to shareholders	<u>67,654</u>	<u>12,395</u>	<u>80,049</u>

	Group		
	2022		
	As previously reported \$'000	Adjustments \$'000	As restated \$'000
Profit for the year	54,378	-	54,378
<b>Other comprehensive income:</b>			
Distribution of property to minority shareholders	-	(5,333)	( 5,333)
Remeasurement loss on Defined benefit obligations	( 5,787)	-	( 5,787)
Tax on remeasurement loss on Defined benefit obligation	<u>1,929</u>	<u>-</u>	<u>1,929</u>
Total comprehensive income attributable to shareholders	<u>50,520</u>	<u>(5,333)</u>	<u>45,187</u>



Notes to the Financial Statements (continued)  
December 31, 2024  
*(Expressed in United States Dollars)*

34. Restatement (continued)

	<u>Company</u>		
	<u>2022</u>		
	<u>As previously reported</u>	<u>Adjustments</u>	<u>As restated</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Profit for the year	39,667	-	39,667
<b>Other comprehensive income:</b>			
Distribution of property to minority shareholders	-	(5,333)	( 5,333)
Remeasurement loss on Defined benefit obligation	( 5,787)	-	( 5,787)
Tax on remeasurement loss on Defined benefit obligation	<u>1,929</u>	<u>-</u>	<u>1,929</u>
Total comprehensive income attributable to shareholders	<u>35,809</u>	<u>(5,333)</u>	<u>30,476</u>

The impact on the 2023 and 2022 statement of changes in equity were as follows:

	<u>Group</u>				
	<u>2023</u>				
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Capital redemption reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
	(Note 15)	(Note 16)	(Note 17)		
As previously reported	261,786	24,663	3,000	310,789	600,238
Prior year adjustment	<u>-</u>	<u>7,062</u>	<u>-</u>	<u>-</u>	<u>7,062</u>
Balance at December 31, 2023, as restated	<u>261,786</u>	<u>31,725</u>	<u>3,000</u>	<u>310,789</u>	<u>607,300</u>

Notes to the Financial Statements (continued)  
December 31, 2024  
*(Expressed in United States Dollars)*

34. Restatement (continued)

The impact on the 2023 and 2022 statement of changes in equity were as follows (continued):

	<u>Company</u>				
	<u>2023</u>				
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Capital redemption reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
	(Note 15)	(Note 16)	(Note 17)		
As previously reported	261,786	24,663	3,000	268,639	558,088
Prior year adjustment	<u>-</u>	<u>7,062</u>	<u>-</u>	<u>-</u>	<u>7,062</u>
Balance at December 31, 2023, as restated	<u>261,786</u>	<u>31,725</u>	<u>3,000</u>	<u>268,639</u>	<u>565,150</u>

	<u>Group</u>				
	<u>2022</u>				
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Capital redemption reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
	(Note 15)	(Note 16)	(Note 17)		
As previously reported	261,786	18,899	3,000	286,745	570,430
Prior year adjustment	<u>-</u>	<u>( 5,333)</u>	<u>-</u>	<u>-</u>	<u>( 5,333)</u>
Balance at December 31, 2022, as restated	<u>261,786</u>	<u>13,566</u>	<u>3,000</u>	<u>286,745</u>	<u>565,097</u>

	<u>Company</u>				
	<u>2022</u>				
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Capital redemption reserve</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
	(Note 15)	(Note 16)	(Note 17)		
As previously reported	261,786	18,899	3,000	237,749	521,434
Prior year adjustment	<u>-</u>	<u>( 5,333)</u>	<u>-</u>	<u>-</u>	<u>( 5,333)</u>
Balance at December 31, 2022, as restated	<u>261,786</u>	<u>13,566</u>	<u>3,000</u>	<u>237,749</u>	<u>516,101</u>

The restatement had no impact on the statements of cash flows.

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Jamaica Public Service Company Limited will be held on Wednesday, 30th day of July, 2025 at the Company's registered office, 6 Knutsford Boulevard, Kingston 5 commencing at 10:00 a.m. for the following purposes:

## 1. TO RECEIVE THE ACCOUNTS

To receive the Audited Accounts for the year ended December 31, 2024 and the Reports of the Directors and Auditors thereon and to consider and if thought fit pass the following resolution:

- i. That the Accounts for the year ended December 31, 2024 together with the Reports of the Directors and Auditors thereon be approved and adopted.

## 2. TO APPROVE and RATIFY DIVIDEND

- i. RESOLVED that this Board HEREBY APPROVES a an interim dividend of the Jamaican equivalent of One Million United States Dollars (US\$1,000,000.00) or 0.0000458123078 United States cents per share/stock on the Ordinary Stock/Shares of the Company at the rate of exchange of the Bank of Jamaica's daily weighted average selling rate on the 19th day of April 2024 payable on the 25th day of April 2024 to share/stockholders registered at close of business on the 29th day of March 2024. This amount having been distributed out of retained earnings.

- ii. RESOLVED that this Board HEREBY APPROVES an interim dividend of the Jamaican equivalent of One Million Five Hundred Thousand United States Dollars (US\$1,500,000.00) or 0.0000687184617 United States cents per share/stock on the Ordinary Stock/Shares of the Company at the rate of exchange of the Bank of Jamaica's daily weighted average selling rate on the 14th day of June, 2024 payable on the 21st day of June, 2024 to share/stockholders registered at close of business on the 14th day of June, 2024. This amount having been distributed out of retained earnings.

- iii. RESOLVED that this Board HEREBY APPROVES an interim dividend of the Jamaican equivalent of Two Million United States Dollars (US\$2,000,000.00) or 0.0000916246156657465 United States cents per share/stock on the Ordinary Stock/Shares of the Company at the rate of exchange of the Bank of Jamaica's daily weighted average selling rate on the 19th day of August 2024 payable on the 30th day of August 2024 to share/stockholders registered at close of business on the 19th day of August 2024. This amount having been distributed out of retained earnings.

- iv. RESOLVED that this Board HEREBY APPROVES a final dividend of the Jamaican equivalent of Twenty Five Million United States Dollars (US\$25,000,000.00) or 0.00114530769582183 United States cents per share/stock on the Ordinary Stock/Shares of the Company at the rate of exchange of the Bank of Jamaica's daily weighted average selling rate on the 17th day of December, 2024 payable on the 20th day of December, 2024 to share/stockholders registered at close of business on the 17th day of December, 2024. This amount having been distributed out of retained earnings.

## 3. TO ELECT DIRECTORS

- (a). In accordance with Articles 117 and 119 of the Company's Articles of Incorporation, Director Charles Johnston, O.J., C.D. having been appointed to the Board shall cease to hold office and being eligible, offer themselves for re-election.

- i. "That Charles Johnston, O.J., C.D.,EWP (Barbados) 1, Srl, is hereby re-elected a Director of the Company."

- (b). In accordance with Articles 62, 86 and 123 of the Company's Articles of Incorporation, Director Sang Ho Lee, and Yeong Gun Lim (Alternate Director), having been appointed to the Board since the last Annual General Meeting shall cease to hold office and being eligible, offer themselves for election.

The Company is asked to consider, and if thought fit pass the following resolutions:

- i. "That Sang Ho Lee, EWP (Barbados) 1, Srl, is hereby elected a Director of the Company"; and
- ii. "That Yeong Gun Lim, EWP (Barbados) 1, Srl, is hereby elected an Alternate Director of the Company".

## 4. TO AUTHORIZE DIRECTORS TO APPOINT AUDITORS AND FIX THEIR REMUNERATION.

## 5. ANY OTHER BUSINESS FOR WHICH DUE NOTICE HAS BEEN GIVEN.

DATED THIS 31st DAY OF MARCH, 2025



BY ORDER OF THE BOARD  
Melanie A. Gilchrist  
Secretary



# Form of Proxy

I/WE.....of.....  
being a member/members of the above Company hereby appoint the Chairman of the meeting or failing him  
.....of.....as my/our Proxy to vote for me/us on my/our  
behalf at the Annual General Meeting of the Company to be held on the 30<sup>n</sup> day of **July, 2025** at **10:00 a.m.** and at any  
adjournment thereof.

RESOLUTION	FOR	AGAINST
Resolution 1		
Resolution 2(i)		
Resolution 2(ii)		
Resolution 2(iii)		
Resolution 2(iv)		
Resolution 3(a)(i)		
Resolution 3(b)(i)		
Resolution 3(b)(ii)		
Resolution 4		
ANY OTHER BUSINESS		

DATED THE ..... DAY OF ..... 2025

.....  
(signature) (signature)

1. If you wish to appoint a proxy other than the Chairman of the Meeting, please insert the person’s name and address and delete the words “the Chairman of the Meeting or failing him”. Initial the deletion.
2. Any alteration to this form of proxy should be initialled.
3. If the appointer is a corporation this form of proxy must be UNDER ITS COMMON SEAL or under the hand of some officer or attorney of the corporation DULY AUTHORIZED IN WRITING.
4. In case of joint holders the vote of the person whose name stands first on the Register will be accepted in preference to the vote of the other holders.
5. To be effective this form of proxy and the power of attorney or other (if any) under which it is signed or a notarially certified copy, of that power or authority must be deposited at Jamaica Public Service Company Limited, 6 Knutsford Boulevard, Kingston 5 for the attention of the Secretary not less than forty-eight (48) hours before the time for the holding of the meeting.





Jamaica Public Service Company Limited  
6 Knutsford Boulevard  
Kingston 5, Jamaica, W.I.  
[www.jpSCO.com](http://www.jpSCO.com)