CARIBBEAN
CONTAINER INC.

[redacted]

Annual Report
2022

FORTY YEARS

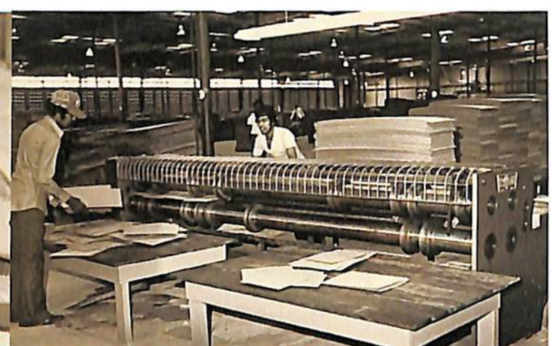
IN 2023, THE COMPANY CELEBRATES THE 40TH ANNIVERSARY OF ITS COMMENCEMENT OF OPERATIONS. WE THANK YOU FOR YOUR UNWAVERING SUPPORT AND ENCOURAGEMENT OVER THE YEARS AND LOOK FORWARD TO BEING OF CONTINUAL SERVICE TO YOU.

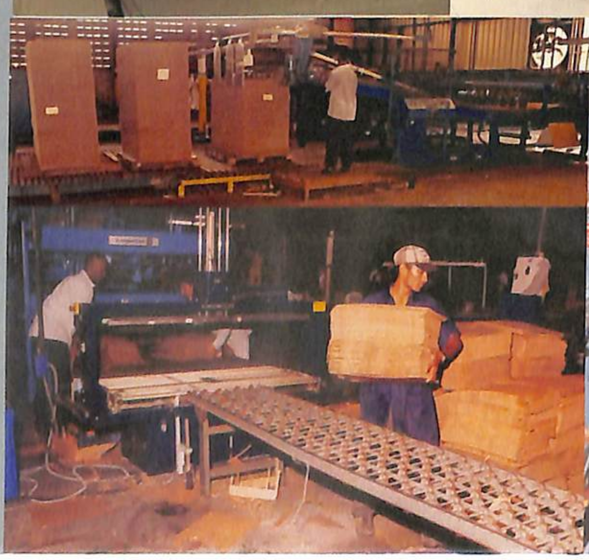
THEN

NOW

THEN


Rum Specialists
FERNANDES
SodaBix
CRISMA
NUCAL
STALLION
PIZZA
BAJAN BEER
RORAIMA
SOAP
MOUNTGAY
Carib
ROYAL EXTRA STOUT
VITAMALT
SKOL LAGER
ting
Jet
RED ROSE
CROWN ENVELOPES
Lemon Lady
Banko
Ginseng UP
MAC ALBERT
VITAL
RPPL
ULTRA Snuggies
DISPOSABLE DIAPERS
SUPER ULTRA-PLUS
RORAIMA
KAIETEUR
DOUBLE 'B' EXOTIC



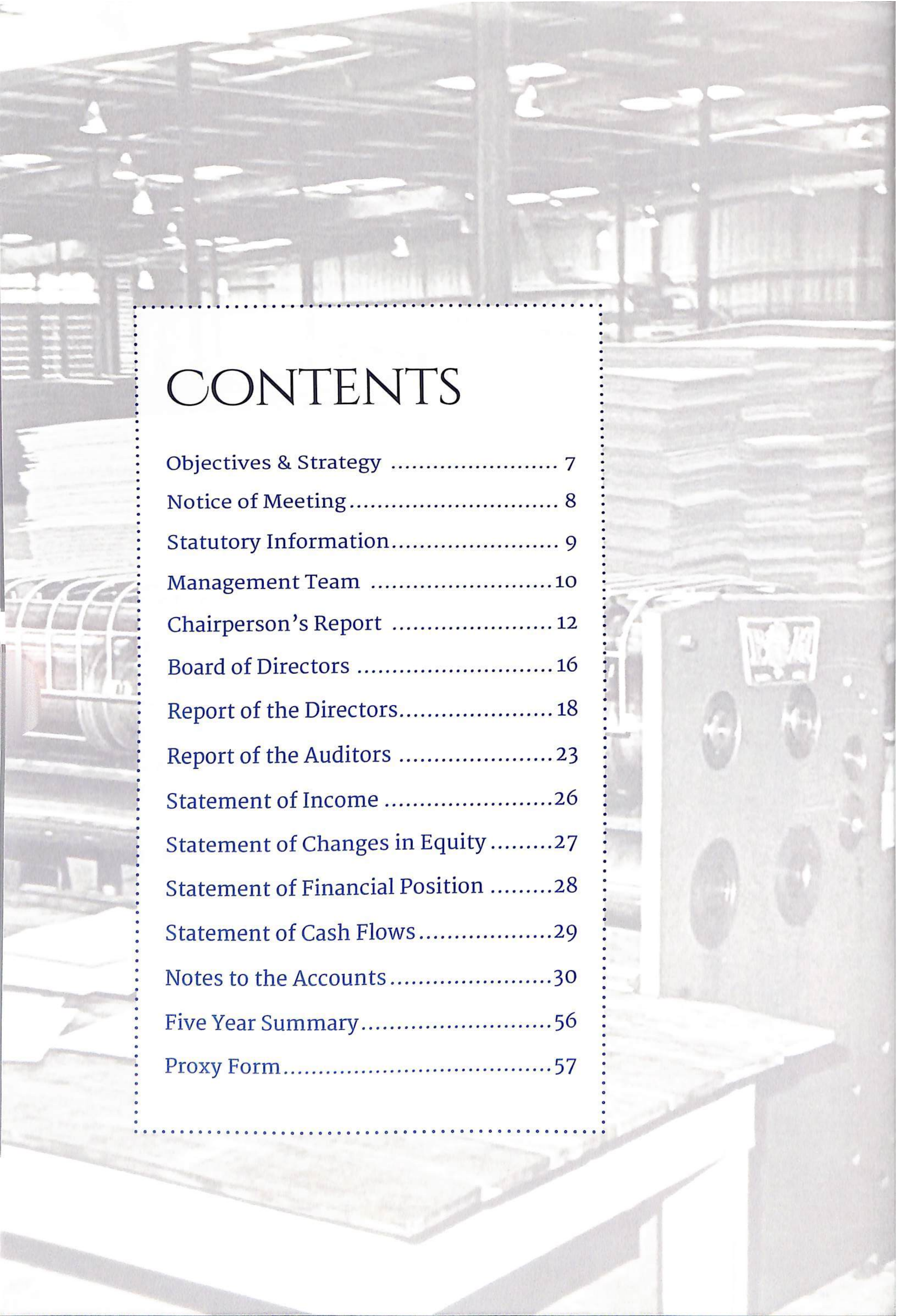


NOW


AMICI
RESTAURANT & BAR
D'AGUIAR'S
FLAVOURED WINES
EL DORADO
5
Pizza Hut
MIDWEST
Cookies
GUINNESS
IGLOO
JONNY BLOK
TOILET BOWL
DEODORIZER
Lite One
Great Foods
Shandy
EL DORADO
AGED 12 YEARS
RUM
GIFT PACK
6 x 750mL
14.4 Kg
EL DORADO
AGED 15 YEARS
RUM
GIFT PACK
CLUB
SODA
Banks
Banks
6 x 3.64 L
6 x 1 US GAL.
MARVEX
BLEACH
EL DORADO
21
RUM
BAKER'S PRIDE
SHORTENING


DIAMOND


NO SMOKING



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OBJECTIVES

To deliver to our customers quality products and services.	To maximize the creation of shareholder value.	To respect and reward all of our employees for achievement.	To out perform our peers.
To maximize our position within the Caribbean and South American paper & packaging industry through growth and prudent internal investment.	To continue to improve our people, products & processes through an ongoing commitment to our philosophy of managing for continuous improvement.	To continuously reduce operating cost and ensure maximum profit potential from the existing asset base.	

STRATEGY

To achieve our objectives we aim to actively extend our participation in the Caribbean and South American marketplace. We will focus on our core competencies and take such actions as are necessary to achieve those objectives that add value to the company. We will continue to invest in the development of our people recognizing that their contribution is vital to the success of the company.

We will continue to maximize the benefit of the corporate assets and commit resources in a measured way to produce optimum returns for our shareholders.

NOTICE OF MEETING

The Thirty-eight Annual General Meeting (AGM) of Caribbean Container Incorporated (CCI) to consider the Company's Accounts and Reports of the Directors and Auditors for the year ended December 31, 2022, will be held on Thursday, May 25, 2023, at 4:00 pm at the CCI Complex, Plantation Farm, East Bank Demerara.

Every member entitled to attend and vote at the meeting may do so in person on their own behalf, or appoint a proxy to attend and vote instead of him/her, and such proxy holder need not be a member of the company.

Agenda

1. To receive and consider the Company's Accounts and the Reports of the Directors and the Auditors for the year ended December 31, 2022;
2. To consider the declaration of a Final Dividend of $0.40 per share in respect of the year ended December 31, 2022, as recommended by the Board of Directors;
3. To re-elect the following Non-Executive Directors: Mr. Khemraj Goberdhan, Mr. Garfield Wiltshire, and Ms. Pavita Ramkissoon;
4. To fix the fees/emoluments of Non-Executive Directors for the year 2023;
5. To appoint the incumbent Auditors TSD LAL & CO. and authorize the Directors to fix their remuneration for the year 2023;
6. To present Long Service Awards to Employees

A form of proxy for use at this Meeting must be received at the registered office of the Company stated hereunder not less than twenty-four (24) hours before the time for holding the Meeting.

Register of Members

For the purpose of preparing warrants of the Final Dividends for the year ended December 31, 2022, the Register of Members and Share Transfer Books of Caribbean Container Incorporated will be closed from May 11 to May 25, 2023, both days inclusive.

By Order of the Board

Lauren Dundas.

Lauren Dundas
Company Secretary

Registered Office
Plantation Farm
East Bank Demerara
April 11, 2023

NB. One gift per shareholding will be presented to shareholders in attendance, or their duly appointed proxies.

STATUTORY INFORMATION

Directors

Ms. Patricia Bacchus Managing Director & Chairperson	**Mr. Rabindranauth Ramautar** Finance Director	**Mr. Zulfikar Samdally** Sales and Marketing Director
Ms. Lauren Dundas Director of Administration & Company Secretary	**Ms. Pavita Ramkissoon** Non-Executive Director	**Mr. Garfield Wiltshire** Non-Executive Director
Mr. Isidro Espinosa Non-Executive Director	**Mr. Khemraj Goberdhan** Non-Executive Director	

Attorney-at-Law

Sievewright Stoby & Co.
15 Ketley & Drysdale Streets,
Charlestown, Guyana

Auditors

TSD LAL & Co.
Chartered Accountants
77 Brickdam Stabroek,
Georgetown, Guyana

Bankers

Bank of Nova Scotia
104 Carmichael Street, North
Cummingsburg,
Georgetown, Guyana

Republic Bank (Guyana) Limited
Promenade Court
155-156 New Market Street,
Georgetown, Guyana

New Building Society Ltd.
1 North Road &
Avenue of the Republic,
Georgetown, Guyana

Registered Office

Plantation Farm
East Bank Demerara, Guyana

MANAGEMENT TEAM

Dwayne Musa, Quality Manager | **Satyanand Deokinanan,** Box Plant Superintendent
Lauren Dundas, Director of Administration & Company Secretary
Kallicharran Dudhnath, Maintenance Manager

Rabindranauth Ramautar, Finance Director | **Patricia Bacchus**, Managing Director & Chairperson
Wintson Patokie, Box Plant Production Manager | **Zulfikar Samdally**, Sales and Marketing Director

CHAIRPERSON'S REPORT

Dear Shareholders,

I am pleased to report to you the Company's performance and related matters for the financial year ended December 31st 2022.

THE GLOBAL ECONOMY IN 2022 – PEAK INFLATION AND REDUCED GROWTH

Global inflation for 2022 is estimated at 8.8%, more than double pre-pandemic inflation levels and on par with the inflation rate prevailing immediately preceding the global financial crisis of 2008. Fueled by a number of factors including a post pandemic spike in consumer demand in the midst of continuing supply shortages, skyrocketing food and energy prices (largely on account of the war in Ukraine) and unprecedented increases in shipping costs, this elevated level of global inflation and the ensuing cost of living crisis, have placed Governments in the unenviable position of securing disinflation whilst sustaining positive economic growth.

Against the backdrop of a 6.0% global growth rate in 2021, the performance in 2022 signals a steep decline with global growth estimated by the IMF at 3.4%. Tighter global financial conditions resulting from central banks' reduction of interest rates to contain soaring inflation, the continuing war in Ukraine and the resurgence of COVID in China and its zero COVID policy, weighed heavily on global economic performance in 2022.

GUYANA REMAINS AN OUTLIER

In the face of weakening global economic growth, Guyana's 2022 real GDP growth is estimated at an astronomical 62.3%, with non-oil growth estimated at 11.5%. Growth was broad-based; recorded across all sectors of the economy.

Notwithstanding contractions in sugar growing and fishing, growth in the Agriculture, Forestry and Fishing Sector in 2022 is estimated at 11.9%. The Extractive Industries is estimated to have expanded by an astounding 109.7%. Even though a modest contraction in the gold sector was recorded, Extractives' performance was supported by a 124.8% growth rate in the oil and gas sector as oil production doubled. Bauxite Mining is anticipated to have expanded by 35% and other Mining and Quarrying by 38.5%, further supporting growth of the Extractive Industries. Even with a 18.9% contraction in Sugar Production in 2022, the Manufacturing Sector recorded positive growth estimated at 3.9% supported by an expansion of 11.7% in rice manufacturing. With elevated levels of investment in both the Private and Public Sectors, Construction continued to demonstrate significant growth at an estimated rate of 26.3% in 2022. Similarly, the Services Sector is estimated to have grown by 9% in 2022.

With further ramping up of oil and gas related activities anticipated in 2023, Guyana is poised for another year of strong economic growth and will surely remain an outlier.

CCI'S PERFORMANCE

In the prior year Chairperson's Report, I alluded to the fact that 2022 was forecasted to be a very challenging year on account of significantly higher freight rates and unprecedented raw material price increases. Further compounding this was the need to stock a four to six months inventory supply at the then prevailing prices in light of supply shortages, prolonged lead times and shipping delays. Biding time in anticipation of lower prices for inputs that required importation, was not an option in 2022.

In light of this reality, although Turnover for 2022 recorded at $1.637 billion was 20% above 2021 Turnover, Cost of Sales recorded at $1.274 billion was 49% above what was recorded in 2021. Consequently, Gross Profit of $314 million reflects a 29% contraction relative to 2021. Shareholders will recall that in 2021, a decision was taken to record on the P&L, an impairment entry of $353.2 million against the buildings of the defunct Paper Recycling Plant, resulting in a 2021 loss after tax of $51.4 million and an ensuing loss per share of $0.34. For the 2022 financial year the Company recorded a profit after tax of $104 million, a $0.69 earnings per share. In addition to the steep increase in Cost of Sales, a 49% spike in selling and distribution expenses on account of significant increases in export freight rates, weighed heavily on the Company's bottom line.

To some extent, performance was buoyed by Other Income of $53.8 million, of which $28.2 million relate to lease payments. As referenced in my last Report, the Company executed a Long Lease Agreement for Land with a Regional Conglomerate in March

CHAIRPERSON'S REPORT (CONT'D)

2022; lease payments commenced in the latter part of 2022. In addition to this, an opportunity to lease a segregated portion of the Plant as warehouse space presented itself during the fourth quarter of 2022, further adding to lease income. For further details, please see Notes 9 and 10 in the audited financial statements.

Notably, Net Current Assets at the end of 2022 stood at $1.098 billion, reflecting growth of 42.5% relative to Net Current Assets of $770 million recorded at the end of 2019 – at the onset of the COVID 19 Pandemic.

In light of the foregoing, I am pleased to inform you that the Board of Directors recommends the declaration of a Final Dividend of $0.40 per ordinary share. Although this is a reduction from the Dividend declared and paid last year, it is important to note that this is the third highest Dividend recommended, with computation based on the highest dividend payout ratio, since 2012 (when the company commenced Dividend payments following its restructuring).

LOOKING AHEAD

As COVID lockdown measures were being relaxed in 2022, the War in Ukraine continued to intensify, bringing with it fresh crises in the supply and cost of food and energy. In fact, the 2023 Global Risk Report published by the World Economic Forum, ranks the cost-of-living crisis as the most significant risk over the next two years. Skyrocketing inflation and Central Banks' monetary policy to raise interest rates to mitigate this, mean tighter global financial conditions and a strong likelihood of continued economic slowdown. The possibility of an escalation of the War in Ukraine, geopolitical fragmentation and ensuing trade wars further dampen prospects. With these factors in mind, the IMF projects a Global Growth rate of 2.9% for 2023, down from the 3.4% estimated for 2022 and the 6% recorded in 2021.

In all of this Guyana will continue to be an outlier. With further ramping up of oil production, Guyana's real GDP growth with an anticipated rate of 25.9%, is expected to be at the forefront of global growth in 2023. Expansion of the non-oil economy projected at 7.9%, signals continued growth across all sectors, with recoveries anticipated for the growing and manufacturing of sugar as well as the gold mining subsector.

In terms of CCI's Operations, at the time of my Report modest reductions in raw material prices and freight rates are materializing; these prices however, remain significantly higher than what prevailed during the pre-pandemic period. Should this trend continue, we are likely to see a corresponding improvement in cost of sales during the second half of 2023. It is imperative to note however, that downside risks to cost stabilization continue to prevail. A prolonged or escalated War in Ukraine and a resultant heightening of Geopolitical tensions and trade wars can push oil prices back over 100 USD per barrel, reversing the recent price normalization trend. On the upside, prudent management of operations, the projected income from the Leases and continued steps to optimize the Company's resources should collectively allow for stronger performance in 2023.

A NOTE OF APPRECIATION

I wish to thank our Customers and Shareholders for their continued support and our Employees for their contribution to the positive performance of the Company. I wish also to extend appreciation to the Company's Board of Directors for the guidance they continue to provide, and for giving so generously their time and expertise. You may have seen the disclosure in the Report of the Directors that Director Isidro Espinosa has not offered himself for reelection at the upcoming AGM. This is on account of his imminent relocation to Canada, where he will pursue his second Master's Degree at the prestigious Trent University. We wish Isidro the very best and thank him for his service over the past eight years.

Patricia Bacchus
Chairperson
April 11th 2023

BOARD OF DIRECTORS

Lauren Dundas, Director of Administration & Company Secretary
Khemraj Goberdhan, Non-Excutive Director | **Isidro Espinosa**, Non-Excutive Director
Pavita Ramkissoon, Non-Excutive Director

Garfield Wiltshire, Non-Excutive Director | **Rabindranauth Ramautar**, Finance Director
Patricia Bacchus, Managing Director & Chairperson | **Zulfikar Samdally**, Sales and Marketing Director

REPORT OF THE DIRECTORS

Triple Bottom Line Reporting – People, Planet & Profits

The Directors herewith submit their report to the Shareholders with the Audited Financial Statements for the year ended December 31, 2022.

PRINCIPAL ACTIVITIES:

- CCI's Packaging Division manufactures innovative customized corrugated packaging and related paperboard products using Semi-Chemical fluting-medium and Kraft linerboard. Quality corrugated packaging and related paperboard products are marketed and distributed at competitive prices, on both the domestic and export markets; providing suitably designed packaging to all industries, including manufacturing, marine (sea food), agricultural (meat and fresh produce), and fast-food industries.

TRADING RESULTS:

Turnover for the year was G$1,637,971,078; (2021 G$1,364,544,775)

Turnover by Geographical Market	2022	2021
Guyana	$1,151,804,665	$993,632,916
Other Caricom territories	$486,166,413	$370,911,859

FINANCIAL RESULTS SUMMARY

	2022	2021	2020
Gross Profit	$314,092,713	$444,553,718	$437,126,515
Taxation			
Taxation: Current	$20,605,905	$13,825,855	$37,690,842
Taxation: Deferred	($14,594,818)	($57,026,993)	($21,272,396)
Total Taxation	$6,011,087	($43,201,138)	$16,418,446
Profit/ (loss) after Tax	$104,051,049	($51,490,421)	$220,238,339
Earnings before taxation, depreciation & Impairment	$163,960,689	$325,610,521	$316,209,545
Basic Earnings/ (Loss) per share	$0.69	($0.34)	$1.46
Retained earnings as at December 31st	$848,893,430	$823,319,010	$944,231,065
Assets and Liabilities			
Assets: Current	$1,350,577,356	$1, 247,427,046	$1,146,599,817
Assets: Non-Current	$3,466,820,708	$3,433,695,309	$1,785,079,240
Total Assets	$4,817,398,064	$4,681,122,355	$2,931,679,057
Liabilities: current	$252,116,433	$141,415,144	$149,477,824
Liabilities: non-current			
Deferred Tax	$757,996,202	$757,996,202	$288,391,693
Total Liabilities	$1,010,112,635	$899,411,346	$437,869,517

CAPITAL EXPENDITURE

In 2022 a total of $68,312,111 from self-generated funds was directed towards Capital Expenditure, compared to $133,473,122 in 2021.

FIXED ASSETS:

Disposal: Nil

Additions: In 2022, there were additions to fixed assets totaling $ 68,312,111. In 2021, additions to fixed assets totaled $133,473,122.

Impairment of Assets: There is no indication of Impairment of Assets or likely Impairment of the Company's Property (land and building) and Equipment at the date of Reporting.

DIVIDENDS:

The Board of Directors has recommended the declaration and payment of a dividend of $0.40 per share for the financial year ended December 31, 2022.

BANKERS:

- Bank of Nova Scotia
- New Building Society Ltd.
- Republic Bank (Guyana) Ltd

OVERDRAFT AND LOAN DISCLOSURES:

As at the end of the financial year ended December 31, 2022, there were no loans and overdraft and/or any other borrowings owed by the Company.

DIRECTORS:

The Directors as at December 31, 2022 were:

- Ms. Patricia Bacchus
- Mr. Rabindranauth Ramautar
- Mr. Zulfikar Samdally
- Mr. Isidro Espinosa
- Mr. Khemraj Goberdhan
- Ms. Pavita Ramkissoon
- Mr. Garfield Wiltshire
- Ms. Lauren Dundas

Pursuant to the Company's Articles of Continuance, Mr. Isidro Espinosa, Mr. Khemraj Goberdhan, Ms. Pavita Ramkissoon, and Mr. Garfield Wiltshire retire from office. With the exception of Mr. Isidro Espinosa, all of the other retiring Directors, have offered themselves for re-election.

SECRETARY:

The Company Secretary as at December 31, 2022, was:

- Ms. Lauren Dundas

DIRECTORS' EMOLUMENTS:

During the financial year, Non-Executive Directors received payment for their services amounting to G$2,470,000, i.e., Mr. Khemraj Goberdhan-G$620,000, Mr. Isidro Espinosa-G$610,000, Ms. Pavita Ramkissoon-G$620,000, and Mr. Garfield Wiltshire-G$620,000. Executive Directors received no additional compensation for their services as Directors.

REPORT OF THE DIRECTORS (CONT'D)

DIRECTORS' INTEREST IN ORDINARY SHARES:

	Beneficial Interest	Non-Beneficial Interest	Associates' Interest
Patricia Bacchus	Nil	Nil	Nil
Rabindranauth Ramautar	Nil	Nil	Nil
Zulfikar Samdally	Nil	Nil	Nil
Isidro Espinosa	Nil	Nil	Nil
Khemraj Goberdhan	Nil	Nil	12000
Pavita Ramkissoon	Nil	Nil	Nil
Garfield Wiltshire	2,040	Nil	Nil
Lauren Dundas	Nil	Nil	Nil

Non-Executive Director Mr. Khemraj Goberdhan is a substantial shareholder of CAGEYS INC., a Private company incorporated under the Laws of Guyana, which owns 12,000 ordinary shares.

CONTRACTS WITH DIRECTORS:
During the financial year there were no:

- Service contracts with any of the Non-Executive Directors of the Company who are proposed for re-election at the forthcoming Annual General Meeting of the Company
- Significant contracts to which any of the Non-Executive Directors of the Company who are proposed for re-election at the forthcoming Annual General Meeting of the Company, were party to or materially interested in either directly or indirectly.

RELATED PARTY TRANSACTIONS:
Technology Investments and Management Inc (TIMI) is a Private Limited Liability Company, incorporated under The Laws of Guyana, and presently owns Demerara Holdings Inc., the holding company which holds 85.92% of the issued shares of CCI. In 2012, Ms. Patricia Bacchus (CCI's Managing Director and Chairperson) became a shareholder, and in 2013 Messrs. Rabindranauth Ramautar (CCI's Finance Director) and Zulfikar Samdally (CCI's Sales & Marketing Director), became shareholders in TIMI. The Articles of TIMI permit shareholding by Managers of its subsidiaries and affiliates, including CCI. In 2022, Dividends for the financial year ended December 31, 2021, amounting to $67,428,520 remitted to Demerara Holdings Inc. and by extension Technology Investments and Management Inc. During the year, there were no other transactions between Caribbean Container Inc. and its related parties.

AUDITORS:
The retiring Auditors TSD LAL & CO. have indicated their willingness to be reappointed as Auditors until the next Annual General Meeting.

SUBSTANTIAL SHAREHOLDERS:

Company Name	No. of Shares 2022	No. of Shares 2021	%Shareholding 2022	%Shareholding 2021
Demerara Holdings Inc.	129,670,230	129,670,230	85.92	85.92
Secure International Finance Co. Inc.	7,791,882	7,791,882	5.16	5.16

A substantial Shareholder is defined as a person who is entitled to exercise, or control the exercise of, five percent or more of the voting power at any General Meeting of the Company.

CORPORATE GOVERNANCE:
Corporate Governance at CCI is underlined by a triple-bottom-line approach, with emphasis placed on People, the Planet, and Profits. The well-being of employees, fair dealings with customers, suppliers, and other stakeholders, and the equitable treatment of shareholders are mandated under the triple bottom line approach, along with the generation of profits from sustainable operations carried out in the most environmentally conscious manner. A report on the Company's performance and profit was provided above, and below we provide some insight into CCI's engagements under the People and Planet elements of the triple-bottom-line during the reporting period.

Employee relations:
Pension – The Company, cognizant of the importance of forward planning, has a defined contribution pension scheme for the benefit of its employees. CCI's pension scheme is administered by Guyana and Trinidad Mutual Life Insurance Company Limited (GTM), and as at December 31, 2022, the number of employees in the pension scheme was 82. For the year, the Company contributed G$7,952,198 towards its pension scheme.

Medical Insurance Coverage – Employees contribute to a group medical insurance policy, with options for individual coverage as well as family coverage. Employees pay 40% of the premium, with the remaining 60% funded by the Company. In 2022, the Company contributed a total of G$1,161,859 towards medical insurance premium.

Other voluntary Insurances – the Company provides group personal accident insurance coverage, which covers employees in the unfortunate event of accidents that occur outside of CCI while employees are not on duty. The Company also provides life insurance for its employees. In 2022, the Company expended a total of G$952,602 towards premiums for both of these policies, which are provided at no cost to employees.

Production Incentive Programmes: During 2022, employees benefitted from a number of gain-sharing programs, which have culminated in increased efficiencies and better Plant throughput throughout the year.

Education:
Staff Training – during 2022, CCI facilitated the following training for its employees:
1. Good Manufacturing Practices (GMP)
2. Fire Fighting and Fire Safety
3. Supervisory Leadership Development
4. Production personnel also continue to receive on the job Operator training and accreditation, and new recruits benefit from a formal onboarding programme.

CHARITABLE DONATIONS:
Cognizant of its corporate social responsibility, CCI made charitable donations to/supported several organizations, including:

- Churches: St. James the Less Anglican Church, Jesus Home of Prayer and Praise-New Beginning
- Eiripan
- Guyana Fire Service
- Guyana Police Force
- Little Diamond Herstelling Neighbourhood Democratic Council
- Ministry of Human Services and Social Security
- Rotaract Club of the University of Guyana
- Schools: Providence Nursery, Covent Garden and Diamond Secondary Schools
- Sports: Herstelling Raiders Football Club, Mayor's Cup Football Tournament, Rose Hall Town Youth & Sports Club
- Theatre Guild of Guyana

REPORT OF THE DIRECTORS (CONT'D)

Adoption of the Women's Empowerment Principles (WEPs):
The Women's Empowerment Principles (WEPs), established by the UN Global Compact and UN Women, is a set of Principles offering guidance to businesses on how to promote gender equality and women's empowerment in the workplace, marketplace, and community as part of the gender equality framework of the 2030 Agenda and the United Nations Sustainable Development Goals.

In January 2023, CCI adopted the WEPs and was in February 2023 added to the Global List of WEPs signatories. CCI's Chief Executive Officer, Ms. Patricia Bacchus in support of the WEPs stated "At Caribbean Container Inc., gender equity, and the overall promotion of human rights are important tenets of our corporate responsibility. We believe that by adopting the WEPs, the Company will make further advancements towards inclusive, sustainable growth – a reality that will secure greater returns for our Shareholders, Employees, Customers, and the Community in which we operate".

Planet:
CCI is a 'green' business operating in line with the concept of sustainable development. CCI's product, corrugated cardboard packaging, is one of the most environmentally-friendly methods of packing, shipping, and storing products. In contrast to other types of packaging, such as plastic or Styrofoam, corrugated cardboard packaging offers the potential to be made, used, reused and ultimately disposed of sustainably. Some of the environmental advantages of using corrugated cardboard packaging are:

1. Corrugated packaging is made from renewable materials: Kraft paper is a bio-based material: it comes from a renewable resource that is renewed through sustainable management of forests.

2. Corrugated packaging is recyclable: Kraft paper is naturally biodegradable; like tree leaves, the paper breaks down into cellulose fibres naturally in just a few weeks and can be entirely absorbed by the environment without any impacts on the environment or human health. In 2022 the company exported 582 metric tonnes of cardboard waste for recycling.

3. Corrugated packaging offers more efficient protection for products: Innovative corrugated packaging designs can eliminate extraneous materials in packaging, while delivering equal or greater structural strength and product protection.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARIBBEAN CONTAINER INC.
(SUBSIDIARY OF TECHNOLOGY INVESTMENTS AND MANAGEMENT INC.)
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Caribbean Container Inc., which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies set out on pages 26 to 55.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Caribbean Container Inc. as at 31 December 2022, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Guyana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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.

Key Audit Matter

Valuation and impairment of property, plant and equipment

(Refer to note 8 (i) in the financial statements)

Property, plant and equipment had a net book value of G$2,817,384,301 as at 31 December, 2022. Property, plant and equipment was considered a key audit matter because of its materiality and as significant management judgment was used to determine the useful life of property, plant and equipment.

The most recent revaluation of property, plant and equipment booked by the Directors on the basis of professional advice was done as at 31 December 2021. This resulted in a surplus of G$1,974,144,366 being recognized and credited to capital reserves. Judgement was used in determining the surplus.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's valuation and impairment of property, plant and equipment included but were not limited to the following:

- Assessing the appropriateness of the useful economic lives and methods used in depreciating assets;
- We reviewed depreciation rates for property, plant and equipment to ensure consistency with the accounting policies and industry rates;
- We obtained and reviewed the written representation by management on their assessment of impairment;
- We assessed the methodology used by management to carry out impairment review;
- We physically verified selected assets which were acquired during the current and prior years;
- We verified the company's policy for acquisitions and disposals of property, plant and equipment;
- We tested internal controls governing the procurement and monitoring and disposal of property, plant and equipment;
- We verified samples of the material assets to supporting documents.

INDPENDENT AUDITOR'S REPORT (CONT'D)

Key Audit Matter

Valuation of deferred tax assets

(Refer to notes 3(vi) and 23 in the financial statements)

The Company had a deferred tax asset resulting from cumulative tax losses and timing differences of property, plant and equipment. The amount of G$225,136,407 was included in the statement of financial position as at 31 December, 2022 and an amount of G$544,373,278 was not booked due to uncertainty with respect to recovery. The valuation of deferred tax assets was significant to our audit because the assessment process was based on estimates of future taxable income.

Valuation of investment property

(Refer to note 9 in the financial statements)

Investment property had a carrying value of G$424,300,000 as at 31 December, 2022. Investment property was considered a key audit matter because of its materiality and as significant management judgment was used to determine its carrying amount. In addition, an annual valuation of land is required which involved significant management judgment.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's recognition of deferred tax assets included, among others:

- We assessed the appropriateness of the level of deferred tax asset balance recognized;
- We examined and considered the most recent forecasts of future performance and critical assessments made of the assumptions and judgments included in these projections, primarily by considering the historical accuracy of forecasts and the sensitivities of the profit forecast.

Our procedures in relation to management's valuation of investment property included but were not limited to the following:

- We obtained understanding of the valuation methods used by the Company and assessed whether they were consistent with the market and our understanding of the client;
- We ensured that owner-occupied properties were correctly accounted for in the financial statements and presented and disclosed in accordance with IAS 40; we also physically inspected the investment property.

Other Information in the Annual Report

Management is responsible for the other information. The other information comprises all the information included in the Company's 2022 annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Those Charged with Governance for the Financial Statements

The Directors/Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error. The Directors/ Management is responsible for overseeing the financial reporting process.

In preparing the financial statements, the Directors/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 the Directors either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of 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 omission, misrepresentations, or the override of internal controls,

- 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 entity's internal controls,

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management,

- Conclude on the appropriateness of the Directors' 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 auditor's 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 auditor's 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.

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 identified during our audit. We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

The financial statements comply with the requirements of the Companies Act 1991.
The engagement partner responsible for the audit resulting in this independent auditor's report is Raan Motilall, FCCA, CPA, CGA

TSD Lal & Co

TSD LAL & CO.
Chartered Accountants

April 11, 2023

77 Brickdam
Stabroek
Georgetown
Guyana

Statement of Profit or Loss and other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 G$	2021 G$
Turnover	24	1,637,971,078	1,364,544,775
Less: Cost of sales	11 (ii)	1,274,096,835	852,956,120
		363,874,243	511,588,655
Depreciation	8 (i)	49,781,530	67,034,937
Gross profit		314,092,713	444,553,718
Other income	5	53,888,553	34,358,849
		367,981,266	478,912,567
Expenses			
Administrative		121,663,796	122,082,800
Selling and distribution		113,980,626	76,193,314
Property tax		22,274,708	22,060,869
Impairment of Property, plant and equipment	8 (ii)	-	353,267,143
		257,919,130	573,604,126
Profit/(loss) before tax	6	110,062,136	(94,691,559)
Taxation	23	6,011,087	(43,201,138)
Profit/(loss) for the year		104,051,049	(51,490,421)
Other comprehensive income for the year			
Items that will not be reclassified subsequently to profit or loss:			
Net increase in revaluation surplus	14 (i)	-	1,408,813,524
Other comprehensive income for the year		-	1,408,813,524
Total comprehensive income for the year		104,051,049	1,357,323,103
Basic earnings/(loss) per share in dollars	7	0.69	(0.34)

"The accompanying notes form an integral part of these financial statements".

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Share capital G$	Retained earnings G$	Capital reserves G$	Total G$
Balance at 01 January 2021		**150,916,595**	**944,231,065**	**1,398,661,880**	**2,493,809,540**
Change in equity 2021					
Total comprehensive income/(loss) for the year		-	(51,490,421)	1,408,813,524	1,357,323,103
Dividends paid	18	-	(69,421,634)	-	(69,421,634)
Balance at 31 December 2021		**150,916,595**	**823,319,010**	**2,807,475,404**	**3,781,711,009**
Change in equity 2022					
Total comprehensive income for the year		-	104,051,049	-	104,051,049
Dividends paid	18	-	(78,476,629)	-	(78,476,629)
Balance at 31 December 2022		**150,916,595**	**848,893,430**	**2,807,475,404**	**3,807,285,429**

"The accompanying notes form an integral part of these financial statements".

Statement of Financial Position

AS AT 31 DECEMBER 2022

	Notes	2022 G$	2021 G$
ASSETS			
Non - current assets			
Property, plant and equipment	8 (i)	2,817,384,301	3,223,153,720
Investment property	9	424,300,000	-
Deferred tax	23	225,136,407	210,541,589
		3,466,820,708	3,433,695,309
Current assets			
Inventories	11 (i)	728,282,779	333,018,473
Trade and other receivables	12	206,136,738	188,704,763
Taxes recoverable		23,847,161	29,031,462
Cash on hand and at bank		392,310,678	696,672,348
		1,350,577,356	1,247,427,046
TOTAL ASSETS		4,817,398,064	4,681,122,355
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	150,916,595	150,916,595
Retained earnings		848,893,430	823,319,010
Capital reserves	14	2,807,475,404	2,807,475,404
SHAREHOLDERS' FUNDS		3,807,285,429	3,781,711,009
Non - current liabilities			
Deferred tax	23	757,996,202	757,996,202
Current liabilities			
Trade and other payables	15	239,268,055	139,505,820
Taxes payable		10,236,513	-
Dividends payable		2,611,865	1,909,324
		252,116,433	141,415,144
TOTAL EQUITY AND LIABILITIES		4,817,398,064	4,681,122,355

These financial statements were approved by the Board of Directors on April 11, 2023.
On behalf of the Board:

Ms. P. Bacchus - Director

Mr. R. Ramautar - Director

"The accompanying notes form an integral part of these financial statements".

Statement of Cash flows

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 G$	2021 G$
Operating activities		
Profit/(loss) for the year before taxation	110,062,136	(94,691,559)
Adjustments for:-		
Depreciation	49,781,530	67,034,937
Impairment of property, plant and equipment	-	353,267,143
Operating profit before working capital changes	159,843,666	325,610,521
Increase in dividends payable	702,541	73,395
(Increase)/decrease in inventories	(395,264,306)	129,701,004
(Increase)/decrease in trade and other receivables	(17,431,975)	549,999
Increase in trade and other payables	99,762,235	4,280,756
Cash generated from/(used in) operations	(152,387,839)	460,215,675
Taxes refunded	5,184,301	-
Taxes paid	(10,369,392)	(50,107,975)
Net cash provided by/(used in) operating activities	(157,572,930)	410,107,700
Investing activities		
Payments to acquire property, plant and equipment	(68,312,111)	(133,473,122)
Net cash used in investing activities	(68,312,111)	(133,473,122)
Financing activities		
Dividends paid	(78,476,629)	(69,421,634)
Net cash used in financing activities	(78,476,629)	(69,421,634)
Net increase/(decrease) in cash and cash equivalents	(304,361,670)	207,212,944
Cash and cash equivalents at beginning of period	696,672,348	489,459,404
Cash and cash equivalents at end of period	392,310,678	696,672,348
Consisting:		
Cash on hand and at bank	392,310,678	696,672,348

"The accompanying notes form an integral part of these financial statements".

Notes to the Accounts

1. INCORPORATION AND ACTIVITIES

The Company was incorporated in Guyana on 12 July, 1978 under the Companies Act Chapter 89:01 as Seals and Packaging Industries Limited and continued under the Companies Act 1991 on 24 September, 1995. On 30 April 1999, the Company changed its name to Caribbean Container Inc. Its principal activities are:

The production of customized and innovative corrugated packaging and related corrugated and solid board products, and the marketing and sale of these products on local and export markets.

Employees:

At 31 December 2022 the number of employees of the company was 93 (2021- 96).

2. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Amendments effective for the current year end

New and Amended Standards	**Effective for annual periods beginning on or after**
Amendments to IFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to IAS 16: Proceeds before intended use	1 January 2022
Amendments to IAS 37: Onerous Contracts – Cost of fulfilling a contract	1 January 2022
Annual Improvements 2018-2020	1 January 2022

None of the new and amended standards and interpretations had a significant effect on the financial statements of the Company.

Pronouncements effective in future periods available for early adoption

New and Amended Standards	**Effective for annual periods beginning on or after**
IFRS 17 Insurance contracts	1 January 2023
Amendments to IAS 1 and IFRS Practice statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 1: Presentation of financial statements on classification of liabilities	1 January 2024

The Company has not opted for early adoption.

The standards and amendments are not expected to have a material impact on the Company's accounting policies when adopted.

Notes to the Accounts

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Accounting convention

The financial statements have been prepared under the historical cost convention as modified for the revaluation of property, plant and equipment and conform with International Financial Reporting Standards.

(ii) Revenue and expense recognition

Revenue is recognized in the statement of profit or loss and other comprehensive income on a basis of the five step model as prescribed by IFRS 15 – Revenue from Contracts with Customers.

- Nature of goods and services
  Revenue is earned from the sale of produced of customized and innovative corrugated packaging and related corrugated and solid board products, and the marketing and sale of these products on local and export markets.

- Timing of satisfaction of performance obligations
  The performance obligations of contracts with local customers are satisfied when goods are delivered. Performance obligations with export customers are satisfied depending on whether the goods are sold on a cost insurance freight (CIF) or free on board (FOB) basis. Performance obligations for CIF sales are satisfied when the goods have been delivered to the customer's country while for FOB sales are satisfied when the goods are delivered to the vessel for export to the customer. Revenue is recognized when the entity fulfills its performance obligations.

- Significant payment terms and contract balances
  Payments are due within stipulated credit periods agreed with the customer ranging from 30-60 days. As a result of this there exist contract balances in the form of receivables at the year end.

- Assets recognized to obtain or fulfill a contract
  There are no assets recognized to fulfill contracts

- Significant judgments in the application of the standard
  There are no significant judgments in the application of the standard.

- Obligations to returns
  The occurrence of returns from customers rarely occurs.

Expense is recognized in the statement of profit or loss and other comprehensive income on an accrual basis.

(iii) Property, plant and equipment and depreciation

Freehold land, buildings and equipment held for use in the production of goods or for administrative purposes are stated in the statement of financial position at their revalued amounts.

Revalued amounts are taken as the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase is recognized in the statement of profit or loss and other comprehensive income to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of profit or loss and other comprehensive income.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in the statement of profit or loss and other comprehensive income. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Notes to the Accounts

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(iii) Property, plant and equipment and depreciation (cont'd)

Motor vehicles are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on revalued, buildings and equipment is charged to statement of profit or loss and other comprehensive income. On the subsequent sale or retirement of a revalued land, building or equipment, the attributable revaluation surplus remaining in the capital reserve is transferred directly to the statement of profit or loss and other comprehensive income.

Depreciation of other fixed assets is calculated on the straight line method at rates sufficient to write off the cost or valuation of these assets to their residual values over their estimated useful lives as follows:-

		2022	2021
Buildings	-	2-3%	2-3%%
Plant and machinery – production	-	1.4-20%	1.4-20%
Plant and machinery – other	-	6.25%	6.25%
Office equipment	-	12.50%	12.50%
Furniture, fixtures and fittings	-	10.50%	10.50%
Sundry equipment	-	20.00%	20.00%
Motor vehicles	-	25.00%	25.00%
Computer equipment	-	33.33%	33.33%

No depreciation is charged on work in progress capital expenditure

Assets are reviewed for impairment whenever there is objective evidence to indicate that the carrying amount of an asset is greater than its estimated recoverable amount, and is written down immediately to its recoverable amount.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset is recognized in the statement of profit or loss and other comprehensive income.

(iv) Foreign currencies

Transactions in foreign currencies other than Guyana dollars are recorded at the rates of exchange prevailing on the dates of the transactions.

At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the statement of profit or loss and other comprehensive income for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognized directly in equity.

(v) Pension scheme

The company has a Defined Contribution Group Pension Plan which is administered by The Guyana and Trinidad Mutual Life Insurance Company Limited (GTM). The company's contribution for the year was G$7,952,198 (2021- G$6,948,781). The number of employees in the pension scheme as at 31 December, 2022 was 82 (2021- 78).

(vi) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current tax is calculated using tax rates that have been enacted in Guyana at the end of each reporting period.

Notes to the Accounts

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(vi) Taxation (cont'd)

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the assets realized based on tax rates (tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited to the statement of profit or loss and other comprehensive income except where it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority, and the company intends to settle its current tax assets and liabilities on a net basis.

At 31 December 2022 deferred tax assets not taken up due to uncertainties with respect to recoverability, was approximately G$544,373,278 (2021 G$569,978,614). During the year deferred tax assets of G$14,594,818 (2021 G$57,026,993) was accounted for in the financial statements. Refer to note 23.

(vii) Inventory

Stocks and stores are valued at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. Work in progress comprises cost of production and attributable overheads.

(viii) Financial instruments

Financial assets and liabilities are recognized on the Company's statement of financial position when the company becomes a party to the contractual provisions of the instruments.

Financial instruments carried on the statement of financial position include trade and other receivables, trade and other payables and cash and cash equivalents.

Trade and other receivables

Trade and other receivables are measured at amortized cost. Appropriate allowances for estimated unrecoverable amounts are recognized in the statement of profit or loss and other comprehensive income on an expected credit losses basis using the simplified approach. The allowance recognized is based on management's evaluation of the collectability of the receivables.

Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than investment or other purposes. These are readily convertible to a known amount of cash, with maturity dates of (3) months or less.

Trade and other payables

Trade and other payables are measured at amortized cost.

Notes to the Accounts

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(ix) Capital reserves

This includes surplus on revaluation of property, plant and equipment, share premium and shareholders' contribution in the form of assets. These reserves are not distributable.

(x) Impairment of property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

(xi) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are derecognized when it is no longer probable that an outflow of economic resources will be required to settle the obligation.

(xii) Segment reporting

A business segment is a component of an entity that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a group of assets and operations engaged in providing similar products and services that are subject to risks and returns that are different from those of other business segments.

The Company analyses its operations by both business and geographic segments. The primary format is business reflecting its box manufacturing operations, its secondary format is that of geographic segments reflecting the primary economic environment in which the company has exposure.

(xiii) Dividends

Dividends that are proposed and declared are recorded as an appropriation of retained earnings in the statement of changes in equity in the period in which they have been approved. Dividends that are proposed and declared after the reporting date are disclosed as a note to the financial statements.

(xiv) Earnings per share

Basic earnings per share attributable to ordinary equity holders of the Company is calculated by dividing profit or loss attributable to ordinary equity holders of the company by the weighted number of ordinary shares during the period.

(xv) Investment property

Investment property, which is held to earn rental is stated at fair values at each reporting date. Gains or losses arising from changes in fair value are included in the statement of profit or loss.

Notes to the Accounts

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(xvi) Leases

As lessor

Leases are classified at inception as either operating or finance based on the economic substance of the agreement to reflect the risks and benefits incidental to ownership.

The minimum lease payments of operating leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the item, are recognized as an expense on a straight-line basis over the term of the lease.

Assets held under finance leases are recognized as assets of the Company at the lower of the present value of the minimum lease payments and the fair value.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the financial statements:

- Useful lives of property, plant and equipment
  Management reviews the estimated useful lives of property, plant and equipment at the end of each year to determine whether the useful lives of property, plant and equipment should remain the same.

- Impairment of financial assets/expected credit losses.
  Management makes judgment on recognition of every financial asset of the expected credit losses. Expected credit losses are estimates of any potential default in payments of contractual cash flows taking into account the entirety of the contract life. These losses are reassessed if the credit risk on the instrument changes. Credit risk is determined based on past and forward-looking information. If the retrieval of forward-looking information causes undue cost or effort past information is used to determine credit risk. There exists significant measurement uncertainty in determining this amount as it is based on management's judgment.

- Recognition of deferred tax assets
  The recovery of deferred tax assets is based on management's assessment of future taxable income.

Notes to the Accounts

	2022 G$	2021 G$
5. OTHER INCOME		
Sale of Box Plant waste (OCC)	9,540,516	5,714,006
Interest received	7,914,493	5,798,024
Others	24,587	557,740
Sale of obsolete equipment	8,123,304	22,289,079
Rental income (i)	28,285,653	-
	53,888,553	34,358,849

(i) Rental income represents rent received of G$39,633,600 less expenses incurred of G$11,347,947

	2022 G$	2021 G$
6. PROFIT/(LOSS) BEFORE TAX	110,062,136	(94,691,559)
After accounting for:		
Staff costs (i)	301,665,715	281,186,556
Auditor's remuneration	2,532,820	2,520,000
Directors' fees (ii)	2,470,000	2,400,000
Depreciation (operation)	42,931,583	61,946,275
Depreciation (administration)	6,849,947	5,088,662
Fuel	78,126,158	49,711,655
Repairs and maintenance	72,498,521	70,156,300
Property tax	22,274,708	22,060,869
(i) Staff costs		
Wages and salaries	229,892,368	225,295,639
Other employment cost	63,821,149	48,942,136
Pension	7,952,198	6,948,781
	301,665,715	281,186,556
(ii) Directors' fees:		
Khemraj Goberdhan	620,000	630,000
Isidro Espinosa	610,000	630,000
Pavita Ramkissoon	620,000	630,000
Garfield Wiltshire	620,000	510,000
	2,470,000	2,400,000

	2022 G$	2021 G$
7. BASIC EARNINGS/(LOSS) PER SHARE		
Profit/(loss) for the year	104,051,049	(51,490,421)
Number of ordinary shares in issue during the year	150,916,595	150,916,595
Basic earnings/(loss) per share in dollars	0.69	(0.34)

Notes to the Accounts

8. (i) PROPERTY, PLANT AND EQUIPMENT

	Land	Building	Equipment	Motor Vehicles	WIP Capital Expenditure	Total
	G$	G$	G$	G$		G$
Valuation/Cost						
At 1 January 2021	474,611,975	1,210,790,983	2,072,083,307	56,078,071	-	3,813,564,336
Additions	-	94,251,477	39,221,645	-	-	133,473,122
Write off of accumulated depreciation prior to revaluation	-	(200,321,781)	(629,496,060)	-	-	(829,817,841)
	474,611,975	1,104,720,679	1,481,808,892	56,078,071		3,117,219,617
Revaluation	1,408,048,025	421,774,796	144,321,545	-		1,974,144,366
	1,882,660,000	1,526,495,475	1,626,130,437	56,078,071		5,091,363,983
Reversal of previous revaluation	-	(95,726,333)	-	-		(95,726,333)
Impairment	-	(353,267,142)	-	-		(353,267,142)
Write off of impaired assets	-	-	(1,324,684,198)	(22,173,290)		(1,346,857,488)
At 31 December 2021	1,882,660,000	1,077,502,000	301,446,239	33,904,781		3,295,513,020
Additions	-	25,002,910	22,445,568	-	20,863,633	68,312,111
Transfer to investment property	(424,300,000)	-	-	-	-	(424,300,000)
	1,458,360,000	1,102,504,910	323,891,807	33,904,781	20,863,633	2,939,525,131
Comprising:						
Cost	8,043,968	145,869,160	44,302,379	33,166,657	20,863,633	252,245,797
Valuation	1,450,316,032	956,635,750	279,589,428	738,124	-	2,687,279,334
At 31 December 2022	1,458,360,000	1,102,504,910	323,891,807	33,904,781	20,863,633	2,939,525,131
Accumulated Depreciation						
At 1 January 2021	-	181,341,509	1,949,830,630	50,827,553	-	2,181,999,692
Charge for the year	-	18,980,272	46,079,665	1,975,000	-	67,034,937
Write back of depreciation	-	(200,321,781)	(629,496,060)	-	-	(829,817,841)
Write off of impaired assets	-	-	(1,324,684,198)	(22,173,290)	-	(1,346,857,488)
At 31 December 2021	-	-	41,730,037-	30,629,263	-	72,359,300
Charge for the year	-	20,441,385	27,365,145	1,975,000	-	49,781,530
At 31 December 2022	-	20,441,385	69,095,182	32,604,263	-	122,140,830
Net Book Values:						
At 31 December 2021	1,882,660,000	1,077,502,000	259,716,202	3,275,518	-	3,223,153,720
At 31 December 2022	1,458,360,000	1,082,063,525	254,796,625	1,300,518	20,863,633	2,817,384,301

Land and buildings were revalued by the Directors as at 31 December 1990 on the basis of professional advice. As at 31 December 2001 land, buildings and equipment were revalued by Rodrigues Architects Limited and D.R. Spence and Associates, Consulting Engineers, respectively and approved by the Directors. As at 16 March, 2015 a revaluation was done by Hugo Curtis & Associates Property Consultants and Valuators and approved by the Directors. Land, buildings and equipment were revalued as at 31 December, 2021 by Valuation Officer Mr. Peter Green and Mr. Mark Yhann of Yhann Engineering respectively, and approved by the Directors. The surplus arising on each revaluation was credited to capital reserves; Revaluation Surplus is restricted from distribution as Dividend. Further information on fair value is stated below.

Notes to the Accounts

8. (i) PROPERTY, PLANT AND EQUIPMENT - CONT'D

If no revaluation of land, buildings and equipment was done, the net book value of property, plant and equipment, after the impairment of the Paper Recycling Plant Building as detailed in note 8 (ii) below, would have been approximately G$245,306,376 (2021: G$183,933,686).

(ii) Impairment of Property, plant and equipment

Resulting from the suspension of operations of the Paper Recycling Plant (PRP) in June 2017, an impairment review, including the consideration of Independent Valuations, was done in keeping with IAS 36. An Impairment entry was consequently made on the Equipment of the PRP at that time (2017). During the reporting period, the decision was taken by the Board of Directors via Resolution on March 16, 2021, to permanently close operations of the Paper Recycling Plant. As a result, the decision was taken to record the Impairment of the PRP Building during the current reporting period to the value of G$353,267,143, which is charged to the statement of profit or loss and other comprehensive income.

The Board of Directors took the decision that fully depreciated obsolete property, plant and equipment at a cost/ valuation total of G$1,346,857,488, as constituted by the following groupings, be written off from the books as at December 31 2021. There was no resulting impact on the statement of profit or loss and other comprehensive income. These write offs were Paper Recycling Plant Equipment (previously Impaired in 2017) of G$1,152,004,713, Printery Plant and Machinery of G$16,853,000 and Box Plant Machinery and Equipment (including Office Equipment, Motor Vehicles, and Fixtures and Fittings) of G$177,999,774.

	2022	2021
9. INVESTMENT PROPERTY	**G$**	**G$**
Cost/valuation		
Land transfer from property, plant and equipment	424,300,000	-

The Investment Property is Commercial Real Estate leased to a third party with rent as detailed below. The initial lease is for 25 years with renewal options thereafter. Periodic escalation of the rent is contemplated during the life of the lease, to be determined at each escalation interval. Accumulated Gross Income for a five-year interval of the lease will be G$381,879,000.

The Investment Property was valued at its carrying amount on 31st December 2022 of G$424,300,000, which management determines was its fair value at that date. It is the Company's policy to value Investment properties at Fair Value.

10. LEASES

The company during the year effected two (2) lease agreements as lessor which are described in details below:

Lease 1: Investment lease

This represents the lease of investment property, with the terms as described in note 9.

Lease 2: Operating lease

The Company executed an operating lease for a non-cancellation period of two years. This lease relates to warehousing space within the Company's Owner-Occupied Facility. Gross Income from this operating lease for a two-year period (2023 and 2024) will be G$170,000,000.

Notes to the Accounts

11 (i) INVENTORIES

	2022 G$	2021 G$
Raw materials	545,016,332	124,188,602
Finished products	22,626,191	11,288,671
Consumable stores and office stationery	95,744,959	104,953,233
Goods in transit	69,779,894	89,166,449
Work in progress	6,726,268	24,767,656
	739,893,644	354,364,611
Provision for obsolete stock (a)	(11,610,865)	(21,346,138)
	728,282,779	333,018,473
(a) At 1 January	(21,346,138)	(35,972,586)
Write off of inventory against previous provisions	9,735,273	14,626,448
At 31 December	(11,610,865)	(21,346,138)

The above provision for impairment was individually assessed.

The costs of inventory recognised as expense during the period with respect to the operations was G$1,059,832,806 (2021: G$666,422,368). During the year, obsolete inventory to the value of G$9,735,273 (2021:G$14,626,448) was written off against provisions for impairment, thus having no effect on the current and previous year statement of profit or loss and other comprehensive income.

Finished products, work in progress and raw materials are expected to be recovered within twelve months. Normal consumable spares are also expected to be recovered within twelve months.

Specialty spares valued G$58,415,438 (2021: G$63,785,829) which comprise of numerous items are held for usage in cases of equipment failure and are used as required.

	2022 G$	2021 G$
(ii) Cost of sales	1,274,096,835	852,956,120

Cost of sales includes all production costs of goods sold, such as direct labour, direct materials and overhead costs.

12. TRADE AND OTHER RECEIVABLES

	2022 G$	2021 G$
Trade receivables (i)	186,083,431	160,522,604
Other receivables	20,053,307	28,182,159
	206,136,738	188,704,763

Notes to the Accounts

12. TRADE AND OTHER RECEIVABLES CONT'D

		2022 G$	2021 G$
(i)	**Trade receivable**	187,963,062	162,144,044
	Less expected credit losses (ii)	(1,879,631)	(1,621,440)
		186,083,431	160,522,604
(ii)	**At 1 January**	(1,621,440)	(4,082,150)
	Write off for the year	-	4,082,150
	Increase in credit losses for the year	(258,191)	(1,621,440)
	At 31 December	(1,879,631)	(1,621,440)

Credit losses were generally assessed as a percentage of receivables at the end of the financial period, taking into consideration past defaults and expected future defaults, with provision made in the sum of G$ 1,879,631 (2021:G$ 1,621,440)

The company recognized no actual cerdit losses during the year (2021:G$4,082,150).

13. SHARE CAPITAL

	2022	2021
Authorised		
Number of ordinary shares	183,514,000	183,514,000
	G$	G$
Issued and fully paid		
150,916,595 ordinary shares	150,916,595	150,916,595

Fully paid ordinary shares, with no par value carrying one vote per share and rights to dividend.

14. CAPITAL RESERVES

		2022 G$	2021 G$
(i)	Revaluation surplus	2,273,988,766	2,273,988,766
(ii)	Shareholders' contribution	286,240,500	286,240,500
(iii)	Share premium	247,246,138	247,246,138
		2,807,475,404	2,807,475,404

(i) Land, buildings and equipment were revalued as at 31 December 1990, 31 December 2001, 16 March 2015 and as at 31 December, 2021 on the basis of professional advice. The surplus arising on each revaluation was credited to capital reserves.

Notes to the Accounts

14 CAPITAL RESERVES CONT'D

Revaluation surplus	2022 G$	2021 G$
Balance at the beginning of the year	2,273,988,766	865,175,242
Net Increase in the Revaluation surplus (a)	-	1,408,813,524
Balance at the end of the year	2,273,988,766	2,273,988,766

(ii) This reserve represents contributions in the form of assets by Demerara Holdings Inc.

(iii) Share premium resulted from the issue of 77,000,000 $1 shares issued in 1992 at $4.25.

	2022 G$	2021 G$
(a) Net Increase in the Revalaution surplus		
Gain on the revaluation of property, plant and equipment	-	1,974,144,366
Deferred tax arising on revaluation of property, plant and equipment	-	(493,536,092)
Write off of previous revaluation arising on impairment of the PRP assets	-	(95,726,333)
Reversal of deferred tax arising on previous revaluation of the PRP assets	-	23,931,583
	-	1,408,813,524

15. TRADE AND OTHER PAYABLES

	2022 G$	2021 G$
Trade payables	170,509,907	76,766,552
Accruals	7,596,218	7,456,111
Other payables	38,887,222	33,222,288
Property tax	22,274,708	22,060,869
	239,268,055	139,505,820

No interest is charged on trade and other payables.

Notes to the Accounts

16. PARENT COMPANY

Following the acquisition of the shares held by the Government of Guyana on 29 April 1999, Demerara Holdings Inc. has been the majority shareholder of the Company with 85.92% of the issued share capital. Since 31 December 2007, the ultimate parent of Caribbean Container Inc. is Technology Investments and Management Inc. (TIMI), a private limited liability company incorporated under the laws of Guyana.

17. PENDING LITIGATION

At the year end, there was no outstanding or pending litigation involving the company. Also there was no threatened litigation or unasserted claims against the company.

18. DIVIDENDS

	2022 G$	2021 G$
Amount recognised as distributions to equity holders in the period:		
Prior year dividends paid $0.52 per share (2020-$ 0.46)	78,476,629	69,421,634
The directors recommend a dividend of $0.40 per share (2021-$ 0.52 per share)	60,366,638	78,476,629

19. FAIR VALUE ESTIMATION

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.

Level 1 - Fair value determination is with reference to quoted prices in active markets for identical assets and liabilities.
Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The following tables sets out the carrying value of assets and liabilities. However, Fair values have been stated for disclosure purposes.

	2022			2021		
	IFRS 13 Level	Carrying amount G$	Fair value G$	IFRS 13 Level	Carrying amount G$	Fair value G$
Assets						
Trade and other receivables	2	206,136,738	206,136,738	2	188,704,763	188,704,763
Taxes recoverable	2	23,847,161	23,847,161	2	29,031,462	29,031,462
Cash on hand and at bank	1	392,310,678	392,310,678	1	696,672,348	696,672,348
		622,294,577	622,294,577		914,408,573	914,408,573

Notes to the Accounts

19 FAIR VALUE ESTIMATION - CONT'D

Liabilities

Trade and other payables	2	239,268,055	239,268,055	2	139,505,820	139,505,820
Taxes payable	2	10,236,513	10,236,513		-	-
Dividends payable	2	2,611,865	2,611,865	2	1,909,324	1,909,324
		252,116,433	252,116,433		141,415,144	141,415,144

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of assets and liabilities were determined as follows:

(a) Trade and other receivables are net of provisions for impairment. The fair value of trade and other receivables is based on expected realisation of outstanding blances taking into account the Company's history with respect to delinquencies.

(b) Financial instruments where the carrying amounts are equal to fair value:- Due to their short-term maturity, the carrying value of certain financial instruments approximates their fair values. These include cash on hand and at bank, trade and other payables, tax payable/ recoverable, trade and other receivables and dividends payable.

Asset carried at fair value

		2022			2021	
	IFRS 13 Level	**Carrying amount G$**	**Fair value G$**	**IFRS 13 Level**	**Carrying amount G$**	**Fair value G$**
Assets						
Property, plant and equipment	2	2,817,384,301	2,817,384,301	2	3,223,153,720	3,223,153,720
Investment property	2	424,300,000	424,300,000		-	-
		3,241,684,301	3,241,684,301		3,223,153,720	3,223,153,720

(i) Property, plant and equipment revaluation

Land and buildings and Equipment are recorded at independent professional valuations.

A valuation of Land and Buildings was done by Valuation Officer Mr. Peter Green as at December 31 2021, which was considered and approved by the Directors. The valuation of property has been derived by reference to the current market value in the case of land, and the replacement cost in the case of buildings. The most significant input for these valuation approaches is the value or replacement cost per square foot which is considered to be observable. The valuation of property is classified as a level 2.

Equipment and machinery (except for motor vehicle and office equiment) were revalued by Mr. Mark Yhann of Yhann Engineering as at December 31 2021 and approved by the Directors. The equipment and machinery were revalued on the basis of Net Current Replacement Cost as part of a going concern, after assessing expired service potential and residual/remaining useful life from observed physical condition/ depreciation. The valuation of equipment and machinery are classifies as level 2.

(ii) Investement property valuation

The fair value of investment property was measured at the carrying amount when it was transferred from property, plant, and equipment. Management's judgment was used to determine that fair value approximates the carrying value. The valuation of investment property is classified as level 2.

Notes to the Accounts

20. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

2022

ASSETS	Financial assets at amortised cost G$	Financial liabilities at amortised cost G$	Total G$
Trade and other receivables	206,136,738	-	206,136,738
Taxes recoverable	23,847,161	-	23,847,161
Cash on hand and at bank	392,310,678	-	392,310,678
Total assets	622,294,577	-	622,294,577
LIABILITIES			
Trade and other payables	-	239,268,055	239,268,055
Taxes payable	-	10,236,513	10,236,513
Dividends payable	-	2,611,865	2,611,865
Total liabilities	-	252,116,433	252,116,433

2021

ASSETS	G$	G$	G$
Trade and other receivables	188,704,763	-	188,704,763
Taxes recoverable	29,031,462	-	29,031,462
Cash on hand and at bank	696,672,348	-	696,672,348
Total assets	914,408,573	-	914,408,573
LIABILITIES			
Trade and other payables	-	139,505,820	139,505,820
Dividends payable	-	1,909,324	1,909,324
Total liabilities	-	141,415,144	141,415,144

Notes to the Accounts

21. FINANCIAL RISK MANAGEMENT

Financial risk management objectives

The Company's management monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (interest rate risk, currency risk and price risk), liquidity risk, capital risk and credit risk.

The Company seeks to minimise the effects of these risks by the use of techniques that are governed by management's policies.

Management reports monthly to the Board of Directors on matters relating to risk and management of risk.

(a) Market risk

The Company's activities expose it to the financial risk of changes in foreign currency exchange rates and interest rates. The Company uses interest rate sensitivity and exposure limits to financial instruments to manage its exposure to interest rate and foreign currency risk. There has been no change in the Company's exposure to market risks or the manner in which it manages these risks.

(i) Interest sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate at the end of the reporting period

(ii) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.

This impacts directly on the Company's cash flow.

	Average Interest rate %	Maturing 2022 Within 1 year G$	Non-interest bearing G$	Total G$
Assets				
Trade and other receivables	-	-	206,136,738	206,136,738
Taxes recoverable	-	-	23,847,161	23,847,161
Cash on hand and at bank	2.75%	307,593,664	84,717,014	392,310,678
		307,593,664	314,700,913	622,294,577
Liabilities				
Trade and other payables	-	-	239,268,055	239,268,055
Taxes payable	-	-	10,236,513	10,236,513
Dividends payable	-	-	2,611,865	2,611,865
		-	252,116,433	252,116,433
Interest sensitivity gap		307,593,664		

Notes to the Accounts

21. FINANCIAL RISK MANAGEMENT - CONT'D

(a) Market risk - cont'd

(ii) Interest rate risk - cont'd

	Average Interest rate %	Maturing 2021 Within 1 year G$	Non-interest bearing G$	Total G$
Assets				
Trade and other receivables	-	-	188,704,763	188,704,763
Taxes recoverable	-	-	29,031,462	29,031,462
Cash on hand and at bank	2.75%	290,398,648	406,273,700	696,672,348
		290,398,648	624,009,926	914,408,574
Liabilities				
Trade and other payables	-	-	139,505,820	139,505,820
Dividends payable	-	-	1,909,324	1,909,324
			141,415,144	141,415,144
Interest sensitivity gap		290,398,648		

(iii) Currency risk

The Company's exposure to the effects of fluctuations in foreign currency exchange rates arise mainly from foreign receivables and payables. The currency which the Company is mainly exposed to is United States Dollars.

The aggregate amounts of assets and liabilities denominated in currencies other than Guyana dollars are as shown:

	G$
31 December 2022	
Assets	88,876,711
Liabilities	(167,619,240)
31 December 2021	
Assets	152,135,794
Liabilities	(72,977,997)

Notes to the Accounts

21. FINANCIAL RISK MANAGEMENT - CONT'D

(a) Market risk - cont'd

(iii) Currency risk - cont'd

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 2.5% increase and decrease in the Guyana dollar (GYD) against the United States dollar (US$).

The sensitivity analysis includes only outstanding foreign denominated monetary items and adjusts their translation at the period end for a 2.5% change in foreign currency rates. A negative number indicates an increase in loss where the US$ strengthens 2.5% against the GY$. For a 2.5% weakening of the US$ against G$ there would be an equal and opposite impact on the profit, and the balances below would be positive.

	2022 G$	2021 G$
Profit/(loss)	(1,968,563)	1,978,945

(iv) Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security of its issuer or factors affecting all securities traded in the market. Management continually identifies the risk and diversifies the portfolio in order to minimize the risk.

The Company is not significantly exposed to price risks.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. The Company manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form.

The following table shows the distribution of liabilities by maturity:

At 31 December 2022

	Maturing		
	Within 1 year		Total
	On demand G$	Due in 3 mths G$	G$
Liabilities			
Trade and other payables	-	239,268,055	239,268,055
Taxes payable	10,236,513	-	10,236,513
Dividends payable	2,611,865	-	2,611,865
	12,848,378	239,268,055	252,116,433

Notes to the Accounts

21. FINANCIAL RISK MANAGEMENT - CONT'D

(b) Liquidity risk - cont'd

At 31 December 2021

	Maturing		
	Within 1 year		Total
	On demand	Due in 3 mths	
	G$	G$	G$
Liabilities			
Trade and other payables	-	139,505,820	139,505,820
Dividends payable	1,909,324	-	1,909,324
	1,909,324	139,505,820	141,415,144

(c) Credit risk

The table below shows the Company's maximum exposure to credit risk.

	2022 Maximum exposure G$	2021 Maximum exposure G$
Trade and other receivables (excluding of prepayments)	205,683,664	187,752,732
Tax recoverable	23,847,161	29,031,462
Cash at bank	391,243,257	696,379,306
Total credit exposure	620,774,082	913,163,500

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company faces credit risk in respect of its trade and other receivables and cash at bank. However, this risk is controlled by close monitoring of these balances by the company.

Balances due by Banks include balances held with Commercial Banks. These Banks have been assessed by the Directors as being credit worthy, with very strong capacity to meet their obligations as they fall due. The related risk is therefore considered very low.

Trade and other receivables consist of a number of customers spread across diverse industries. Ongoing credit evaluation is performed on the financial condition of trade receivables on a regular basis.

The maximum credit risk faced by the Company is the balances reflected in the financial statements.

Notes to the Accounts

21. FINANCIAL RISK MANAGEMENT - CONT'D

(c) Credit risk - cont'd

	2022	2021
	G$	G$
Trade and other receivables (excluding prepayments)	205,683,664	187,752,732
The above balances are classified as follows:.		
Current	135,362,260	119,780,986
Past due but not impaired	70,321,404	67,971,746
	205,683,664	187,752,732
Ageing of trade and other receivables which were past due but not impaired		
1-30 days	42,967,366	46,151,704
31-90 days	27,354,038	21,820,042
	70,321,404	67,971,746
Provision for impairment.	1,879,631	1,621,440

No collateral is held against financial assets. Financial assets that are not impaired are considered collectable.

The table below shows the credit limit and balance of the five (5) major customers (2021 - 5) at the reporting date.

		2022		2021	
Details	**Location**	**G$ Credit Limit**	**G$ Carrying Amount**	**G$ Credit Limit**	**G$ Carrying Amount**
Customer #1	Guyana	40,000,000	33,599,578	40,000,000	33,968,684
Customer #2	Guyana	30,000,000	24,745,816	30,000,000	18,846,019
Customer #3	Guyana	15,000,000	9,055,621	15,000,000	14,698,097
Customer #4	Suriname	20,000,000	18,059,210	12,870,000	5,468,720
Customer #5	Suriname	15,000,000	13,730,194	12,870,000	10,282,248

There were four (4) customers who represented more than 5% of the total balance of trade receivables. (2021: 6 customers)

The average days of these receivables was 42 days (2021: 43 days).

Notes to the Accounts

21. FINANCIAL RISK MANAGEMENT - CONT'D

(d) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The overall strategy remains unchanged from 2021.

The Company has embarked on an aggressive capital programme to enhance operating efficiencies and returns to investors.

The capital structure of the Company consists of cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, capital reserves and retained earnings.

22. RELATED PARTY TRANSACTIONS

Technology Investments and Management Inc (TIMI) is a Private Limited Liability Company, incorporated under The Laws of Guyana, and presently owns Demerara Holdings Inc. (DHI), the holding company which holds 85.92% of the issued shares of CCI. At the time of his death, Mr. Ronald Webster (late Chairman/Managing Director of CCI) held the majority interest in TIMI. In 2012, Ms Patricia Bacchus (CCI's Managing Director and Chairperson) became a shareholder, and in 2013 Messrs. Rabindranauth Ramautar (CCI's Finance Director) and Zulfikar Samdally (CCI's Sales & Marketing Director), became shareholders in TIMI. The Articles of TIMI permit shareholding by Managers of its subsidiaries and affiliates, including CCI.

Dividends amounting to G$67,428,520 payable for the financial year ended 31 December 2021 was remitted to TIMI in the year 2022.

Compensation of key management personnel.

The Company's key management personnel comprise of its Directors, Managing Director and Managers.The remuneration paid to key management personnel (except Non Executive Directors) for the year was as follows:

	2022	2021
	G$	G$
Short- term employee benefits	74,410,907	73,855,625
Post employment benefits	4,436,440	4,129,957
	78,847,347	77,985,582

Non Executive Directors received Director's fees in the sum of $2,470,000 (2021-$2,400,000).

Notes to the Accounts

23. TAXATION

Income tax recognised in profit or loss	**2022**	**2021**
	G$	**G$**
Reconciliation of tax expense and accounting profit:		
Profit/(loss) before tax	110,062,136	(94,691,559)
Corporation tax at 25%	27,515,534	(23,672,890)
Tax effect of expense not deductible in determining taxable profits:		
Depreciation for accounting purposes	12,445,383	16,758,734
Impairment	-	88,316,786
Others	485,110	992,740
Tax exempt income	(1,978,623)	(1,449,506)
Property tax	5,568,677	5,515,217
	44,036,081	86,461,081
Tax effect of depreciation for tax purpose	9,895,655	10,620,628
Set off of losses	13,534,521	13,825,856
Balancing allowance	-	48,188,742
Corporation tax	20,605,905	13,825,855
Deferred tax	(14,594,818)	(57,026,993)
	6,011,087	(43,201,138)
Taxation:		
Current	20,605,905	13,825,855
Deferred	(14,594,818)	(57,026,993)
	6,011,087	(43,201,138)

Components of deferred tax	**2022**	**2021**
	G$	**G$**
Deferred tax liability		
Property, plant and equipment, revaluation	757,996,202	757,996,202
Deferred tax asset		
Property, plant and equipment, timing difference	(92,357,444)	(89,833,441)
Tax losses	(132,778,963)	(120,708,148)
	(225,136,407)	(210,541,589)
Net deferred tax	532,859,795	547,454,613

Movement in temporary differences

Notes to the Accounts

23. TAXATION - CONT'D

	Property, plant and equipment			
	Timing difference (note a) G$	Revaluation G$	Tax losses (note b) G$	Total G$
At 31 December, 2020	(43,779,916)	288,391,693	(109,734,680)	134,877,097
Movement during the year:				
Statement of profit or loss	(46,053,525)	-	(10,973,468)	(57,026,993)
Other comprehensive income	-	469,604,509	-	469,604,509
At 31 December, 2021	(89,833,441)	757,996,202	(120,708,148)	547,454,613
Movement during the year:				
Statement of profit and loss	(2,524,003)	-	(12,070,815)	(14,594,818)
At December 31, 2022	(92,357,444)	757,996,202	(132,778,963)	532,859,795

Note (a) timing differences

During the current and prior year the Company accounted for deferred tax asset on the difference between the tax written down value and the net book value in the financial statements.

Note (b) tax losses

During the current and prior year the Company accounted for deferred tax asset on tax losses based on past performance and expectation of future recovery.

24. SEGMENT REPORTING

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and assess their performance.

The Company is organised into one operating division (2021 - two divisions). This is the basis on whiich the Company reports its primary segment information.

Principal activities are as follows:

2022

Box Manufacturing Plant

The production of customized and innovative corrugated packaging and related corrugated and solid board products, and the marketing and sale of these products on local and export markets.

Notes to the Accounts

24 **SEGMENT REPORTING CONT'D**

2021

Paper Recycling Plant

The production of recycling paper - fluting-medium and linerboard - from recycled carton boxes (Old Corrugated Cartons – OCC).

By Board decision, operations of the Paper Recycling Plant was suspended on June 30th, 2017. The issue was revisited in 2021 and by Board Resolution on March 16th, 2021 the decision was taken to permanently close the Paper Recycling Plant. Going forward, the Paper Mill will be removed as an Operating Division for Segment Reporting.

Box Manufacturing Plant

The production of customized and innovative corrugated packaging and related corrugated and solid board products, and the marketing and sale of these products on local and export markets.

Statement of income

	2022
	Box Manufacturing and Total G$
Revenue	
External sales	1,637,971,078
Total revenue	1,637,971,078
Results	
Profit/(loss) before unallocated items	314,092,713
Unallocated items:	
Other income	53,888,553
Administrative	(121,663,796)
Selling and distribution	(113,980,626)
Property tax	(22,274,708)
Profit before tax	110,062,136
Taxation	(6,011,087)
Profit for the year	104,051,049
Other Information	
Capital additions	68,312,111
Depreciation	49,781,530

Notes to the Accounts

24 **SEGMENT REPORTING - CONT'D**

Statement of income

	2021			
	Paper mill	**Box Manufacturing**	**Elimination**	**Total**
	G$	**G$**	**G$**	**G$**
Revenue				
External sales	-	1,364,544,775	-	1,364,544,775
Total revenue	-	1,364,544,775	-	1,364,544,775
Results				
Profit/(loss) before unallocated items	(353,267,143)	444,553,718	-	91,286,575
Unallocated items:				
Other income				34,358,849
Administrative				(122,082,800)
Selling and distribution				(76,193,314)
Property tax				(22,060,869)
Profit before tax				(94,691,559)
Taxation				43,201,138
Loss for the year				(51,490,421)
Other Information				
Capital additions	-	133,473,122	-	133,473,122
Depreciation	5,088,662	61,946,275	-	67,034,937

Geographical location

The Company's principal operations are carried out in Guyana. However, revenue originates from two major geographical areas namely, Guyana and other Caricom territories.

Revenue by Geographical Market

	2022	**2021**
	G$	**G$**
Guyana	1,151,804,665	993,632,916
Other Caricom territories	486,166,413	370,911,859
	1,637,971,078	1,364,544,775

Notes to the Accounts

24 SEGMENT REPORTING - CONT'D

The following is an analysis of the Company's revenue and results from continuing operations and reportable segments:

	Segment revenue		Segment profit/(loss)	
	Year ended 2022 G$	Year ended 2021 G$	Year ended 2022 G$	Year ended 2021 G$
Paper Mill	-	-	-	(353,267,143)
Box Manufacturing	1,637,971,078	1,364,544,775	314,092,713	444,553,718
	1,637,971,078	1,364,544,775	314,092,713	91,286,575

Segment profit represents the profit by each segment without allocation of central administration costs, directors fees, finance costs and tax expenses.

The accounting policies of the reportable segments are the same as the Company's accounting policies.

Information about major customers

Included in revenues arising from box manufacturing of G$1,637,971,078 (2021: G$1,364,544,775) - see table above is revenue of approximately G$629,049,430 (2021:G$585,468,374) which arose from sales to the Company's three (3) largest customers.

By board Resolution on March 16, 2021 a decision was taken to permanently close the Paper Recycling Plant. Going forward, the Paper Mill will be removed as an Operating Division for Segment Reporting. The Paper Recycling Plant assets were fully impaired and all liabilities were written back as at December 31 2021, as such all the assets and liabilities of the company related to Box plant.

25. CAPITAL COMMITMENTS

The Company's capital commitments for the year 2023 amounts to G$123,863,025 (2022- Committed Amount G$55,791,450; Approved Actual Expenditure: G$68,312,111).

26. CONTINGENT LIABILITIES

	2022 G$	2021 G$
Fixed Security Deposit with Republic Bank (Guyana) Ltd for Corporate Credit Card	2,387,000	2,387,000

27. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for issue on April 11, 2023.

FIVE YEAR STATISTICAL SUMMARY

	2022 G$	2021 G$	2020 G$	2019 G$	2018 G$
Turnover	1,637,971,078	1,364,544,775	1,383,161,652	1,248,190,327	1,193,428,649
Gross Profit	363,874,243	444,553,718	437,126,515	302,316,926	271,340,902
Profit Before Corp., Property, Deferred Tax and Impairment of Fixed Assets	132,336,844	280,636,453	258,556,480	123,931,045	139,088,993
Corp. & Property Tax	42,880,613	35,886,724	59,590,537	40,901,673	43,680,921
Profit After Corp. & Property Tax	89,456,231	244,749,729	198,965,943	83,029,372	95,408,072
Deferred Tax	(14,594,818)	(57,026,993)	(21,272,396)	(18,559,965)	(10,694,559)
Profit After Deferred tax	104,051,049	301,776,722	220,238,339	101,589,337	106,102,631
Impairment of Fixed Assets		353,267,143			
Profit/(Loss for the Year)	104,051,049	(51,490,421)	220,238,339	101,589,337	106,102,631
Basic Earnings Per Share	0.69	(0.34)	1.46	0.67	0.70
Dividends Paid or Recommended per Share	0.40	0.52	0.46	0.24	0.24
Gross Assets	4,817,398,064	4,681,122,355	2,931,679,057	2,683,427,428	2,728,560,134
Gross Liabilities	1,010,112,635	899,411,346	437,869,517	373,646,244	484,138,304
Share Capital	150,916,595	150,916,595	150,916,595	150,916,595	150,916,595
Shareholders' Funds	3,807,285,429	3,781,711,009	2,493,809,540	2,309,791,184	2,244,421,830

PROXY FORM

I/We..

....

of..

being a member/members of Caribbean Container Incorporated hereby

appoint...

of..

or failing him/her ....

of ....

As my/our proxy to vote for me/us on my/our behalf at the 38th Annual General Meeting of the Company to be held on Thursday, 25 May, 2023 and any adjournment thereof.

As witness my hand.................day of..2023

(Name of member/s)...

(Signature of member/s)..

CARIBBEAN CONTAINER INC.
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