1834 INVESTMENTS LIMITED

ANNUAL REPORT

2020/2021

1834
INVESTMENTS
LIMITED

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COMPANY PROFILE

1834 Investments Limited (formerly The Gleaner Company Limited) is a locally incorporated and domiciled holding company for a portfolio of domestic and international investment assets. The company's main activity is the management of its income generating real estate, bond and equity investments, and the management of its joint venture investment company. The shares of the company are listed on the main market of the Jamaica Stock Exchange as **"1834"**.

COMPANY DATA

REGISTERED OFFICE
7 North Street
Kingston, Jamaica

GENERAL MANAGER
Terry Peyrefitte

COMPANY SECRETARY
Shena Stubbs-Gibson

REGISTRAR
SAGICOR BANK JAMAICA LIMITED
28-48 Barbados Avenue
Kingston 5

AUDITORS
KPMG
Chartered Accountants
6 Duke Street, Kingston

ATTORNEYS
PHILLIPSON PARTNERS
48 Constant Spring Road
Kingston 10

PATTERSON MAIR HAMILTON
85 Hope Road, Kingston 6

BANKERS & INVESTMENT COMPANIES
THE BANK OF NOVA SCOTIA
(JAMAICA) LIMITED
Scotia Bank Centre
Kingston, Jamaica

JN FUND MANAGERS
2 Belmont Road, Kingston 10

JN BANK
2-4 Constant Spring Road
Kingston 10

NCB CAPITAL MARKETS
The Atrium, 32 Trafalgar Road
Kingston 10

UBS AG
Zurich, Switzerland

Notice of Annual General Meeting

7 North Street
P.O. Box 40
Kingston
Phone: (876) 922-1834
Email: roxann.smith@gleanerjm.com
Fax: (876) 922-6297

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Stockholders of 1834 Investments Limited will be held at the registered office of the company, 7 North Street, Kingston, Jamaica, on **December 14, 2021 at 10:30 a.m.** and will also be streamed live pursuant to an Order of the Supreme Court dated the 31st day of May, 2021. In light of the ongoing COVID-19 pandemic and the measures necessary to reduce its spread, physical attendance at the meeting will be restricted to comply with the applicable legal protocols and best practices in effect at the time.

The meeting will be held for the following purposes:

1. To receive the Audited Financial Statements for the twelve months ended March 31, 2021 and the reports of the Directors and Auditors thereon.

   Resolution 1

   Resolved that the Audited Financial Statements for the twelve months ended March 31, 2021, together with the Reports of the Directors and Auditors thereon be and are hereby adopted.

2. To consider, and if thought fit, pass the following resolution:-

   Resolution 2

   Resolved that the interim dividend of four cents ($0.04) on each ordinary stock paid December 11, 2020 to shareholders on record at the close of business on November 24, 2020 be declared final and no further dividend be paid in respect of the year under review.

3. To re-elect Directors who have retired from office in accordance with Article 93 of the Company's Articles of Incorporation. The Directors, who have retired from office in accordance with Article 93 aforementioned are Joseph M. Matalon and Carol D. Archer, and both have offered themselves for re-election. To consider, and if thought fit, pass the following resolutions:-

   Resolution 3

   That Mr. Joseph M. Matalon be and is hereby re-elected a Director of the company;

Resolution 4

That Prof. Carol D. Archer be and is hereby re-elected a Director of the company;

4. To fix the remuneration of the Directors and to consider, and if thought fit, pass the following resolution:-

Resolution 5

Resolved that the Directors' fees agreed and payable for the year ending March 31, 2021 to all non-executive Directors of the company be and are hereby approved.

5. To re-appoint the retiring auditors and to authorise the Directors to determine their remuneration and to consider, and if thought fit, pass the following resolution:

Resolution 6

Resolved that the retiring auditors, KPMG, Chartered Accountants, having expressed their willingness to continue as auditors of the company until the conclusion of the next Annual General Meeting, be and are hereby re-appointed and the Directors be authorised to fix their remuneration.

6. To transact any other business which may be transacted at an Ordinary General Meeting.

By Order of the Board

Shena Stubbs-Gibson
Company Secretary

October 30, 2021

Proxy
In accordance with Section 131 of the Companies Act, 2004, a member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him, and such proxy need not also be a member. A proxy form is included at page 106. When completed the form should be deposited with the Company Secretary at the registered office of the company, 7 North Street, Kingston, Jamaica, not less than 48 hours before the time appointed for the meeting. The proxy form should bear stamp duty of $100.00.

Physical Distancing Requirement

Shareholders attending the Annual General Meeting will be required to wear protective face masks as mandated by the Government to enter the venue or remain therein. Sanitizing and temperature checks will be required upon entry. The meeting will observe the protocols of physical distancing in layout and seating. Given the recent orders by the Government of Jamaica pursuant to the Disaster Risk Management Act, the number of persons that can attend the Annual General Meeting may be restricted and the company will not be able to accommodate the physical attendance of shareholders exceeding the established gathering limit.

CHAIRMAN'S MESSAGE

Fellow shareholders,

I am pleased to report that your company closed on its 2020/21 financial year successfully, despite the many COVID-19 related business and investment uncertainties persisting throughout the period. For the twelve months to March 31, 2021 your company produced after tax profits of $81 million, or 6.69 cents per stock unit, doubling last year's profit performance and recording the second highest profits in 1834's five-year history as a standalone investment company. Dividends of $48 million or $0.04 per stock unit were paid to you from the company's profits during the period. Stockholders' equity of $1,510 million at the March 31, 2021 year-end, equivalent to $1.25 per stock unit, increased 5% year over year. At the end of the financial year, your stock price had recovered 28% from its prior year-end's pandemic driven lows and this growth, together with earnings and dividends paid in the period, provided a 40% annual return[1] to 1834 Investments Limited ("1834") shareholders.

These positive results evidence your company's financial and operational resilience, and are reflective of the quality of your company's investment assets, and its prudent management oversight. In the period, 1834 continued to focus on safeguarding your portfolio of investments, employing cautious liquidity and debt management. Your portfolio of USD quoted investments, which had been adversely impacted by the negative investor sentiment prevailing at the start of the financial year, saw full price recovery by the year-end. Given the open-ended trajectory of the pandemic and its uncertainties, your company took additional steps over the year to further mitigate against COVID-19 related risks to the portfolio, re-balancing some categories of investments. Your company remains well capitalised and strategically positioned as a result. We maintain a cautiously optimistic outlook and conservative risk profile for the medium term.

In what has been a particularly challenging year, I wish to express my sincere gratitude to the Board of Directors for their guidance and engagement, and to the 1834 team for their commitment and diligent efforts steering the company through

[1] Annual return includes earnings, dividends and appreciation in the stock price over the twelve months to March 31, 2021. 1834's closing share price on the Jamaica Stock Exchange was $1.10/share at March 31, 2021 ($0.86/share at March 31, 2020).

the pandemic related adversities. 1834 continues to adopt precautionary safety measures in accordance with guidance from the local health authorities and the Government of Jamaica. I am proud to report that efforts to safeguard the health of our 1834 team have been successful.

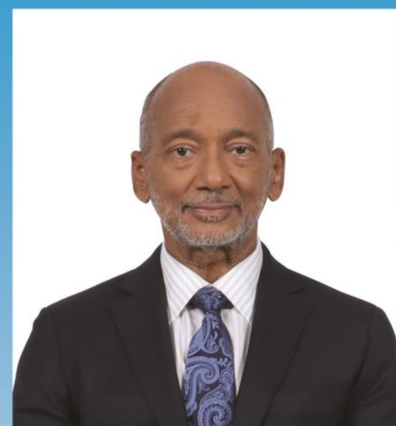
I also wish to acknowledge and appreciate the contributions of former Director Morin Seymour, CD, who retired from the Board in May 2021 after 21 years of service to your company. We are pleased that Mr. Seymour has agreed to extend his support to the Board via his appointment to a special project committee.

1834 sees encouraging business and investment opportunities on the horizon, and remains well positioned to take advantage of these. To provide additional focus on the assessment of the strategic opportunities which have accelerated over the review period, your company has established a dedicated transaction team. Your Board is committed to selecting the best opportunities for the future of your company, which will maximize value to you, the shareholder.

On behalf of the Board of Directors, I would like to thank you, our shareholders for your support. Your company, having demonstrated its resilience in the last financial year amidst the many uncertainties, looks to the future with optimism. We continue to wish safety for you and your families, and encourage you to continue to do your part to accelerate our country's economic recovery. I look forward to seeing you at our company's next Annual General Meeting.

Joseph M. Matalon, CD
CHAIRMAN

Directors' Profiles



JOSEPH M. MATALON,
C.D., B.Sc.

Chairman since July 30, 2020,
Vice Chairman (January 22, 2015 - July 30, 2020)
Appointed Director October 1987

Mr. Matalon is Chairman of ICD Group Holdings and a Director of a number of its related companies including British Caribbean Insurance Company (BCIC) and West Indies Home Contractors (WIHCON). Having been a Director of Radio Jamaica Limited since 2016, he was appointed Chairman of that Company in July 2019.

Mr. Matalon served three terms as President of the Private Sector Organization of Jamaica (PSOJ), and was inducted into its Hall of Fame in 2018. Mr. Matalon also served as Chairman of the Development Bank of Jamaica (DBJ) between 2007 and 2016 and as Chairman of the Office of Utilities Regulation (OUR) between 2016 and 2019.

In 2010, Mr. Matalon was awarded the Order of Distinction in the rank of Commander (CD).

Mr. Matalon is a member of the Audit Committee of the Board.

HON. DOUGLAS R. ORANE,
C.D., J. P., B.Sc., M.B.A., LLD. (Hon)

Vice Chairman since July 30, 2020,
Appointed Director May1998

Mr. Orane is a former Chairman and Managing Director of Grace Kennedy Limited. He is currently a Director of Radio Jamaica Limited and also serves on other boards. Mr. Orane served as President of the Private Sector Organization of Jamaica (PSOJ) from December 1992 to December 1994 and as Vice President from December 2001 to February 2003. Mr. Orane was inducted into the PSOJ Hall of Fame in 2003.

Mr. Orane also served as an Independent Senator in the Senate from 1998 to 2002 and was appointed a member of the Governor General's Privy Council in 2009. In 2002, Mr. Orane was awarded the Order of Distinction in the rank of Commander (CD).

Mr. Orane is an industrial engineer and a Justice of the Peace (JP).

Mr. Orane is the Chairman of the Corporate Governance Committee and a member of the Audit Committee of the Board.

CAROL D. ARCHER,
B.A., M.A., MURP, MPhil, Ph.D.

Appointed Director December 2001

Professor Archer is currently the Coordinator for Graduate Programmes and Director of Research and Consultancy in the Faculty of The Built Environment at the University of Technology. Previously she served as Associate Professor and Dean of that faculty from 2006 to 2015, as Head of the School of Building and Land Management from July 2004 to 2005 and as Programme Director for the Urban and Regional Planning Programme from February 2000 to June 2004.

Professor Archer currently serves or has served on boards including Radio Jamaica Limited (since 2016), National Housing Trust Technical Sub Committee, Scotia Jamaica Building Society, University Council of Jamaica, Town & Country Planning Authority, Natural Resource Conservation Authority (Deputy Chair), Urban Development Corporation Subcommittee on Planning and Development, South East Regional Health Authority (Deputy Chair), National Chest Hospital (Chair), Council for the University of Technology Jamaica, National Investment Bank of Jamaica and Water Resources Authority, The Wolmer's Trust Board of Management, the Caribbean Network of Urban Land Managers, Nature Preservation Foundation Board of the Hope Royal Botanical Gardens and the Caribbean Planners Association.

In August 2021, Professor Archer was appointed to the Special Advisory Group Enterprise (SAGE) to the Executive Director of UN Habitat.

Professor Archer is a member of the Corporate Governance Committee of the Board.

LISA G. JOHNSTON,
B.A., M.A.

Appointed Director April 2000

Mrs. Johnston is the Corporate Affairs Manager at Jamaica Producers Group Limited and is the Honorary Consul for the Republic of Costa Rica. She serves as a director of Radio Jamaica Limited and the Consular Corps of Jamaica. Mrs. Johnston serves as a Vice President of the Jamaica Manufacturers' and Exporters' Association and as a Trustee of the St. Mary Education Trust. She is also a member of the Jamaica Trade Policy Advisory Group in the Ministry of Foreign Affairs and Foreign Trade, the Food Security & Agribusiness Council, a joint committee of the Ministry of Agriculture & Fisheries, the Ministry of Industry, Investment & Commerce and the private sector, and the Technical Committee for Legislative Review in the Office of the Cabinet.

Mrs. Johnston is a former Galo Plaza Fellow at the Inter-American Dialogue in Washington D.C.

She is a member of the Corporate Governance Committee and the Audit Committee of the Board.

ELIZABETH (BETTY ANN) JONES,
C.D., FCCA (UK), B.Sc.

Appointed Director November 2014

Ms. Jones is a retired Senior Partner of KPMG in Jamaica, former Head of the firm's Tax practice and past Chair of KPMG CARICOM, a regional governance entity comprising KPMG member firms in Barbados, the Eastern Caribbean, Jamaica and Trinidad and Tobago. She is Chair of The Jamaica National Group Limited, JN Financial Group Limited, JN Fund Managers Limited and a Director of JN Bank Limited and Radio Jamaica Limited.

Ms. Jones has served on several tax reform committees and was seconded to the Ministry of Finance between 1989 and 1992 as special advisor to the Minister. Ms. Jones has also served as Chair of the Trade Board and Fiscal Services Limited and on the Committee to Review and Eliminate Waste in the Public Sector. She has served on a committee to review the Government of Jamaica's tax system, as a member of the Divestment Committee responsible for the divestment of Government-owned sugar factories, and as a member of the Tax Policy and Tax Administration Working Group under the Partnership for Transformation Project in Jamaica.

In 2015, Ms. Jones was awarded the Order of Distinction in the rank of Commander (CD).

Ms. Jones is a Fellow of the Association of Chartered Certified Accountants and a retired Chartered Accountant.

Ms. Jones is the Chair of the Audit Committee of the Board.

MONICA LADD,
B.A., J.D., L.E.C.

Appointed Director July 2020

Ms. Ladd is an independent Attorney-at-Law practicing in the areas of insurance law, international finance and general corporate and contract law. She previously worked with the law firm Myers Fletcher & Gordon for eighteen years, eleven of which she spent as a partner. Ms. Ladd has provided consulting services to USAID, JAMPRO and the PSOJ, and served in the U.S. Foreign Service for six years.

Ms. Ladd holds a B.A. degree from Brown University, a J.D. degree from Emory University and is qualified to practice law in both Jamaica and the United States of America. She was admitted to the Bar in Georgia (1988), Washington D.C. (1989), Jamaica (LEC 1989), New York (1990) and Florida (1990). Ms. Ladd is fluent in Spanish, French and German.

Ms. Ladd serves as a Director on various local and overseas boards including JN Fund Managers Limited and American Friends of Jamaica.

MORIN M. SEYMOUR,
CD, JP, BSc, MBA, FLMI

Appointed Director April 2000 (Retired May 26, 2021)

Mr. Seymour is former Executive Director of Kingston Restoration Company Limited and a director of Kingston Restoration Foundation, Mona Social Services Company, UWI, Mona Campus and a member of other Boards, including PALS Jamaica Limited. He is Chairman of Central Branch All Age School and a Past President of the Jamaica American Friendship Association. In 1979, he obtained the designation of Fellow of the Life Management Institute from LOMA, USA. He is also the Chairman of the Jamaica Nominating Committee for The Anthony N. Sabga Caribbean Awards for Excellence.

In 1983, Mr. Seymour received a Certificate in Public Enterprise Policy for developing countries from Harvard University and in 1995, he was designated an Eisenhower Fellow. In 1999, Mr. Seymour received the Governor General's Achievement Award for Surrey, Jamaica; and in 2003, he was awarded the Prime Minister's Appreciation Award for Community Development and, appointed Honorary visiting Fellow of the Joseph C. Cornwall Centre for Metropolitan Studies at Rutgers, the State University of New Jersey. In 2004, he received the Prestigious Alumnus Award from the Graziadio School of Business and Management, Pepperdine University, California.

In 2011, Mr. Seymour was awarded the Order of Distinction in the rank of Commander (CD).

HON. JOHN J. ISSA,
OJ, CD, JP, BSC, HON. LLD

Appointed Director February, 1975 - June, 2003, Vice Chairman from July, 2003 – January 22, 2015 and Honorary Chairman since January 23, 2015

Mr. Issa serves as Chairman of SuperClubs International Limited and its subsidiaries. In 2005, he received the Trail Blazer Award from the Jamaica Tourist Board and in 2007, the Lifetime Achievement Award in Travel and Tourism - Caribbean World Awards.

He served as a member of the Senate (1983-1989) and as Chairman of the Jamaica Tourist Board (1984-1989). In 1999 and 2009, Mr. Issa was awarded the Honorary Degrees of Doctor of Laws (*Honoris Causa*) from the Northern Caribbean University and the University of the West Indies, respectively. Mr. Issa is also a trustee of the Bustamante Foundation.

In 1998, Mr. Issa was awarded the Order of Jamaica and in 1983, he received the Order of Distinction in the rank of Commander (CD).

Mr. Issa is a Justice of the Peace and the Honorary Consul of Serbia.

DIRECTORS' REPORT

The Directors are pleased to submit their report for 1834 Investments Limited for the year ended March 31, 2021.

Operating results:

- Profit for the Group before taxation was **$87 million (2020: $52 million)**
- Net profit attributable to 1834's stockholders was **$81 million (2020: $41 million)**
- Earnings per stock unit was **6.69 cents (2020: 3.35 cents)**
- Total equity attributable to 1834's stockholders was **$1.5 billion (2020: $1.4billion)**

Dividends

The Directors recommend that the dividend of four cents ($0.04) per share paid on December 11, 2020, be declared as final.

Directors

The Directors of the Company as at March 31, 2021 were:
Joseph M. Matalon, CD (Chairman), Hon. Douglas R. Orane (Vice-Chairman), Prof. Carol D. Archer, Lisa G. Johnston, Elizabeth A. Jones, CD, Monica Ladd and Morin M. Seymour, CD.

The Directors to retire by rotation in accordance with Article 93 of the Company's Articles of Incorporation are Joseph M. Matalon and Carol D. Archer, but being eligible will offer themselves for re-election.

Auditors

The company's auditors, KPMG Chartered Accountants, have expressed their willingness to continue in office, pursuant to Article 131 of the Company's Articles of Incorporation. The Directors recommend their reappointment.

The Directors wish to place on record their sincere appreciation to the management and staff for their contributions to the company during the year.

On behalf of the Board, dated the 15th day of October 2021

Joseph M. Matalon, CD
CHAIRMAN

1834 INVESTMENTS LIMITED

Financial Summary 2017 – 2021

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
Turnover	130,026	95,523	55,087	161,396	199,024
Group profit/(loss) before taxation	86,768	51,522	16,683	97,174	102,232
Taxation (charge)/credit	(5,686)	(10,932)	(11,137)	(15,242)	(89,885)
Profit attributable to 1834's stockholders	81,082	40,590	5,546	81,932	12,347
Ordinary stockholders' funds:					
Share capital	605,622	605,622	605,622	605,622	605,622
Reserves	904,612	832,317	886,691	1,098,431	1,171,724
	1,510,234	1,437,939	1,492,313	1,704,053	1,777,346
Deferred tax liabilities	2,353	4,245	17,495	17,910	29,400
Total funds employed	1,512,587	1,442,184	1,509,808	1,721,963	1,806,746
Represented by:					
Long-term receivables	16,887	18,658	22,452	26,891	32,055
Other non-current assets and investments	1,261,739	1,063,013	1,016,550	1,328,385	1,405,613
Working capital	233,961	360,513	470,806	366,687	369,078
	1,512,587	1,442,184	1,509,808	1,721,963	1,806,746
Stock units in issue at year end ('000)	1,211,244	1,211,244	1,211,244	1,211,244	1,211,244
Earnings per stock unit [see note (i) below]	6.69¢	3.35¢	0.46¢	6.76¢	1.02¢
Stockholders' funds per stock unit [see note (i) below]	124.68¢	118.72¢	123.20¢	140.69¢	146.74¢
Distributions per stock unit [see note (ii) below]	4¢	8¢	10¢	8¢	12¢
Exchange rates ruling at the reporting date were:					
UK £1 to J$1	199.00	165.49	164.56	176.80	158.72
US$1 to J$1	144.88	133.96	125.02	125.32	128.22
Can$1 to J$1	118.37	93.78	92.98	96.61	96.45

(i) The calculation of earnings per stock unit and stockholders' funds per stock unit is based on profit after taxation attributable to the company's stockholders and ordinary stockholder's funds, respectively, divided by the stock units in issue at year-end.

(ii) The calculation of distributions per ordinary stock unit is based on the actual distributions (whether capital or ordinary dividends) for each year divided by the stock units in issue at year-end.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The following Management Discussion and Analysis (MD&A) is intended to help readers, shareholders and other stakeholders understand the operations and present business environment of 1834 Investments Limited and its associate Jamaica Joint Venture Investment Company Limited (collectively the "Group"). The MD&A provides supplemental information to the Chairman's report and should be read in conjunction with the financial statements and accompanying notes contained therein.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS

The management of 1834 Investments Limited is responsible for the integrity and objectivity of the information contained in the MD&A. The information presented herein was reviewed by the Board of Directors. Management believes the information presented herein represents an objective review of the Group's performance over the past 12 months and short-term prospects.

THE BUSINESS

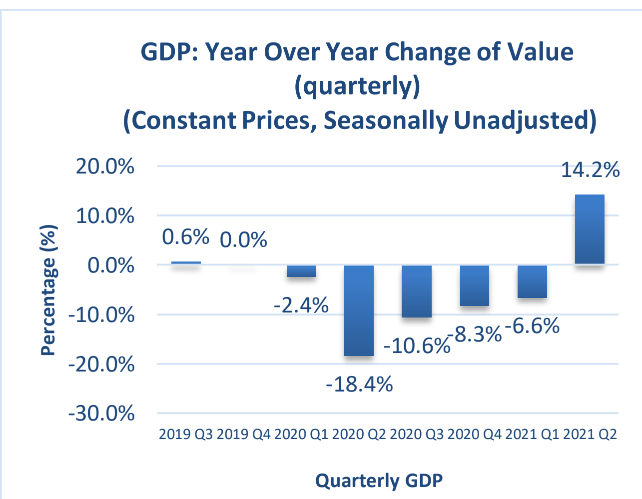
1834 Investments Limited is an investment management company. The Group's main activity is the management of its direct investments (real estate, bond and equity portfolios), and the management of its joint venture (real estate) investment company. For the financial year under review, your company generated revenue from interest and dividends paid on its fixed income and equity holdings, rent on commercial real estate assets, loans and other income-generating contracts. 1834 Investments Limited evolved as a result of the March 2016 merger of the media operations of the former Gleaner Company Limited with Radio Jamaica Limited (RJR). The Gleaner Company Limited officially changed its name to 1834 Investments Limited on March 10, 2016.

THE ENVIRONMENT

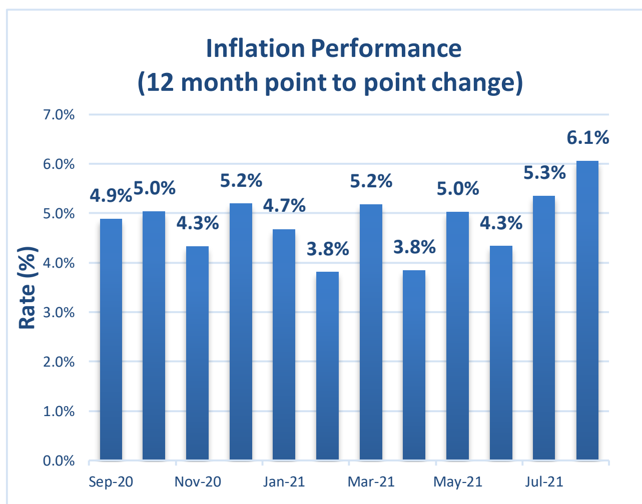
Local

The financial year 2020/21 was dominated by public health and economic uncertainties related to the COVID-19 outbreak. Jamaica closed fiscal 2020/21 with a 6.6% contraction in GDP[2] (2019/20: 2.4% contraction), driven by the ongoing adverse effects of the pandemic, which was declared by the World Health Organization in March 2020. The negative GDP outcome resulted mainly from declines recorded in the hotels & restaurants, wholesale and retail trade, transportation and services industries due to the impact of restrictive movement and business measures required over the period to stem the spread of the virus.

Since the onset of the pandemic, the Government of Jamaica (GOJ) has employed a data driven approach to adjust movement, business and health restrictions in an effort to optimally balance the adverse economic and public health impacts of the pandemic. International ratings agency Standard & Poor's Global upgraded Jamaica's economic outlook from negative to stable[3], while maintaining the country's B+ long-term and B short-term ratings for local and foreign currency debt respectively, signaling a positive assessment of the country's economic direction. While external uncertainties prevail, the ratings upgrade reflects international investor confidence in Jamaica's ability to maintain macroeconomic stability and meet its financial obligations, while pursuing necessary fiscal consolidation alongside pandemic related health and social spend.



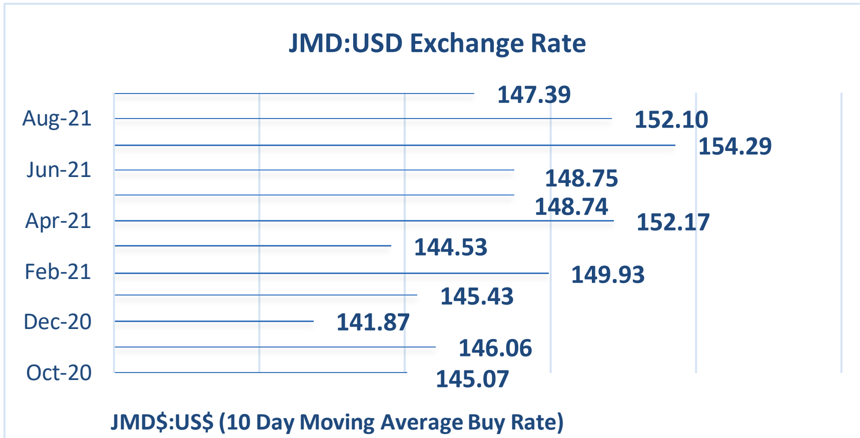
Source: STATIN



Source: BOJ

[2] 6.6% year over year contraction in Gross Domestic Product at Constant Prices, Seasonally Unadjusted (Source: www.statinja.gov.jm)

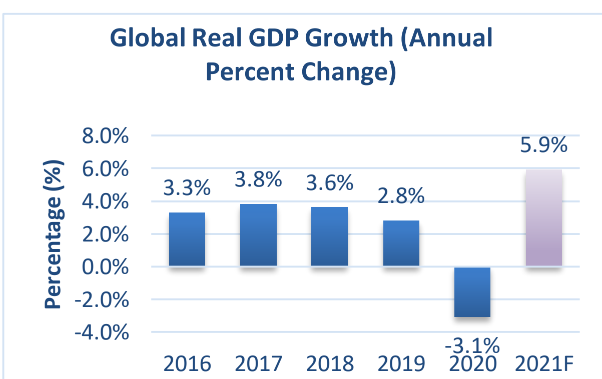
[3] Standard & Poor's long term local and foreign currency sovereign credit rating B+, Stable – October 2021 (Source: www.spglobal.com)



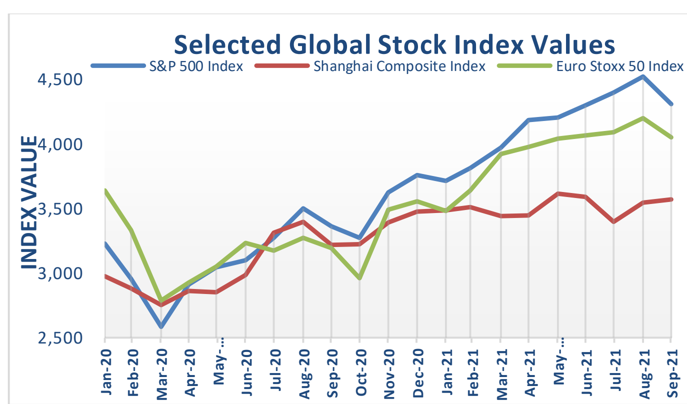
Source: BOJ

International

The declaration of the COVID-19 pandemic triggered a period of extreme volatility for stock markets worldwide. Investors reacted swiftly and negatively to virus containment uncertainties and the anticipated adverse global economic and public health impact. While global stock indices shed up to a quarter of their values at the end of March 2020, recovery was strong by the year-end. Despite the ongoing vaccination supply/take-up and variant related uncertainties persisting throughout 2021, international equity markets have rebounded; regaining their COVID related losses and continuing on an upward trajectory. Expedited vaccine development and rollout, monetary policy and fiscal stimulus programmes implemented by governments worldwide to combat the pandemic fallout have contributed to the investor optimism.



Source: IMF World Economic Outlook, October 2021 (F - IMF Forecast)



Source: MarketWatch

OPERATIONS

1834 maintains a lean operational structure with various functions outsourced where feasible. Your company has a shared services arrangement in place with former subsidiary company, The Gleaner Company (Media) Limited, whereby professional support services are accessed for a monthly fee. These services include legal and company secretarial support, information technology services and administrative support. Investment advisory, property management and accounting services are provided by external firms.

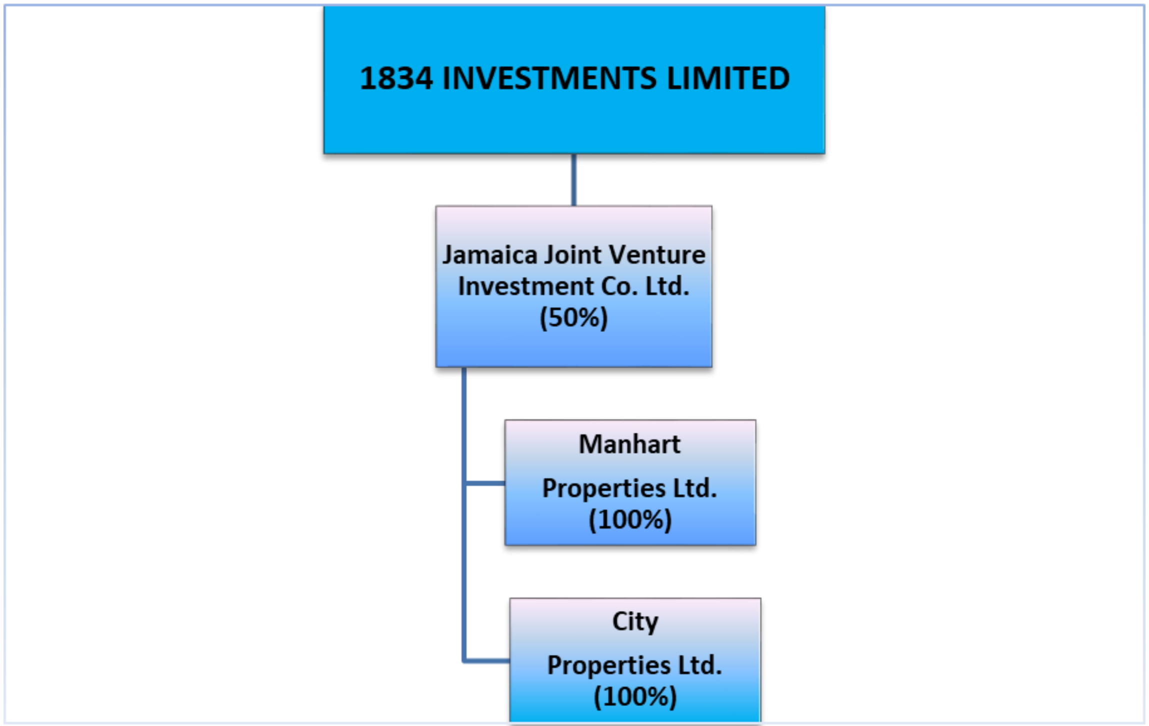
Throughout FY 2020/21, your company was forced to navigate the unprecedented challenges brought on by the COVID-19 pandemic, and made various adjustments to its operations to manage them. In accordance with guidance from the Ministry of Health and Wellness Jamaica and the World Health Organization, 1834 took steps to safeguard its people and operations over the period including:

- Precautionary measures to protect staff including health monitoring, physical distancing, enhanced sanitization of the workplace and vaccination education and facilitation. Work from home and flexible work arrangements implemented early 2020 to minimize exposure continue to the present time.

- In collaboration with local and overseas investment advisers, 1834 also monitors business and capital market developments both locally and overseas to regularly re-assesses its liquidity, capital structure and the risks to the investment portfolio, making prudent adjustments where deemed necessary.

In general, your company's business resilience over the review period has been high, with limited disruption to operations. Your company relies heavily on technology and the use of electronic files and communication in the usual course of business, which has facilitated the transition to a virtual operation when needed since the first quarter of FY 2020/21. However, delays arising from the general restrictions on movement within Jamaica and overseas, and as a result of workflow, connectivity and hours of business adjustments implemented by various partners, continue to impact turnaround times.

As at March 31, 2021 your Group's organizational structure was as follows:



Note: 1834's subsidiary company Selectco Publications Limited was dissolved in FY 2020/21. This subsidiary was non-operational (consequent upon its media assets being divested to a subsidiary in 2016).

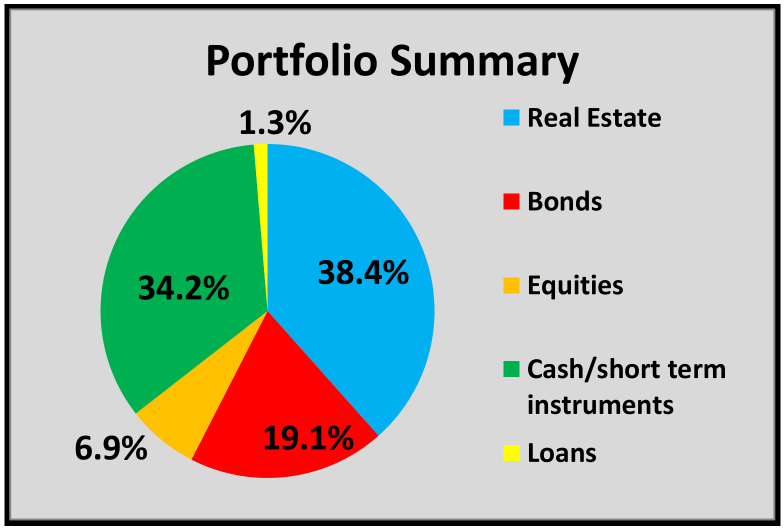
1834 Investments Limited owns real estate and other investments directly, and has a 50% share in associated company Jamaica Joint Venture Investment Company Limited. Jamaica Joint Venture Investment Company Limited (JJVI) is the holding company for two commercial real estate investments at 34 and 40 Duke Street, Kingston. Your company is a 50% joint venture partner in this real estate holding company.

JJVI's subsidiary companies City Properties Limited and Manhart Properties Limited, own and manage the rental activities of these properties with the oversight of a property management company.

DIRECT INVESTMENTS

Your company engages various local and overseas based investment advisors to actively monitor the foreign markets and to make recommendations which ensure optimal risk/return. As at March 31, 2021, your company's directly held investments were allocated as follows:

Portfolio Summary	2021	
	J$ '000	%
Real Estate	492,500	38.4%
Cash/short term instruments	438,489	34.2%
Bonds/bond funds	244,925	19.1%
Equities	88,947	6.9%
Loans	16,887	1.3%
Total	**1,281,748**	**100%**



Direct investments totaled $1,282 million (2020: $1,115 million) at the end of March 2021. The portfolio was heavily weighted towards real estate and cash/short term instruments which accounted for $931 million or 73% of investments at the financial year-end.

Cash and short-term instruments comprised US dollar repurchase contracts, interest bearing cash deposits and unit trusts.

Properties held as at the March 31, 2021, year-end were as follows:

Property Type	Location
Commercial offices	7 North Street, Kingston
Commercial lots	101A, 103, 105 East Street & 66C, 66D John's Lane, Kingston

The commercial property (land and building) located at 7 North Street, as well as the five vacant lots situated at 101A, 103 & 105 East Street and 66C & 66D John's Lane which are utilized for parking are subject to a long-term lease arrangement with Radio Jamaica Limited (expiring 2030).

The "Gleaner" Building located at 7 North Street

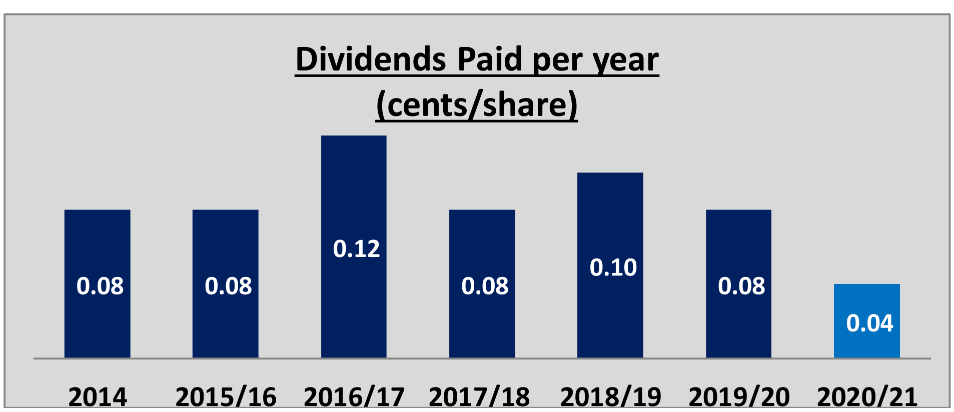
Bonds and bond fund assets comprised 19% or $245 million of total investments. Bonds returned income of 7% (USD bonds) on a weighted average cash yield basis, and were all BBB-/Baa3 rated (investment grade) at year-end. The bond/bond fund portfolio is represented by a wide mix of foreign corporate issuers of notes with maturities under 1 year to 9 years out.

The equity portfolio comprised 7% or $89 million of total investments. Equity holdings represented a widely diversified mix of the stocks of high-quality local and overseas companies in North America, U.K., Europe and Asia.

Loans represented 1% or $17 million of the portfolio, and returned income of 4% on USD balances extended.

SHAREHOLDER RETURN

An interim capital distribution of 4 cents per stock unit was paid on December 11, 2020 to shareholders on record at the close of business on November 24, 2020.



FINANCIAL RESULTS:

The Group financial highlights and comparatives below are for the twelve months to March 31, 2021:

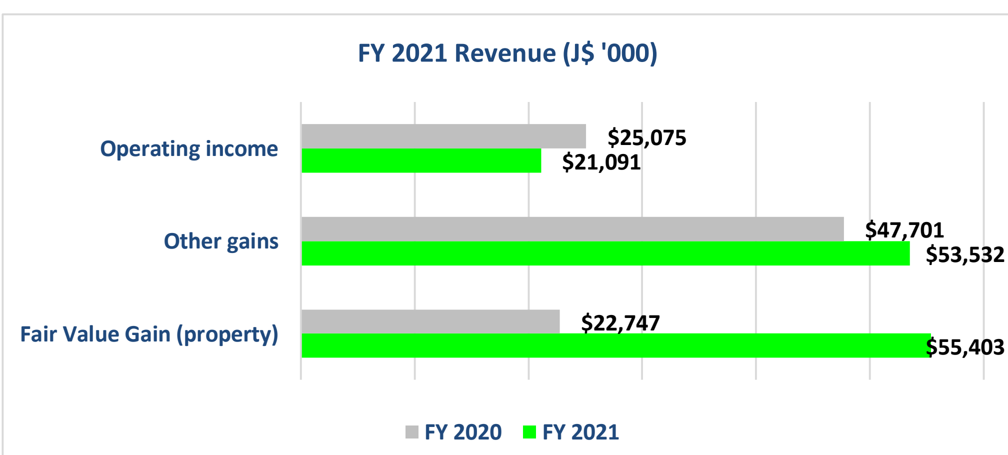
FINANCIAL HIGHLIGHTS:	2021	2020
Profit attributable to shareholders	$81 million	$41 million
Earnings per share	6.69 cents/share	3.35 cents/share
Total Revenue	$130 million	$96 million
Total Equity	$1,510 million	$1,438 million
Book value	$1.25/share	$1.19/share
Closing Share price (March 31)	$1.10	$0.93
Dividends paid	$0.04/share	$0.08/share
Dividend yield	4% p.a.	9% p.a.

INCOME STATEMENTS

Your company recorded group profits of $81 million after tax from its consolidated operations in real estate and investments over the 12 months to March 31, 2021 (2020: $41 million). Earnings of 6.69 cents/share (2020: $3.35 cents/share) were driven by interest income, foreign exchange gains, revaluation gains on investment property, and share of profit from the company's interest in its Associate.

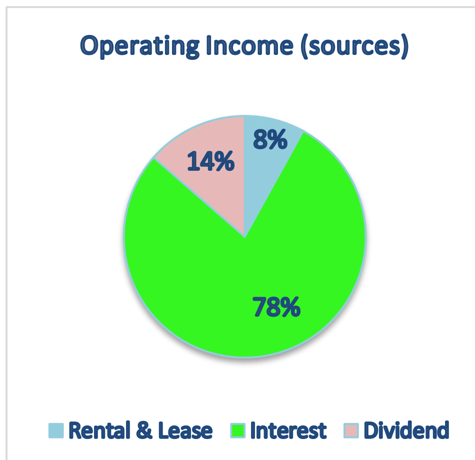
REVENUE

The Group generated revenues of $130 million for the 12 months to March 31, 2021 (2020: $96 million) an increase of $34.5 million or 36% over the prior year.



OPERATING INCOME

Operating income of $21 million (2020: $25 million) fell $4 million or 16% year over year due to a combination of reduced rental and interest income. Rental income declined due to the disposal of a tenanted property (King Street, Montego Bay) in the prior year, which gave rise to the comparative period reduction. Interest income was adversely impacted by lower re-investment interest rates on USD denominated bonds, although offset in part by higher income earned on other USD instruments.



FAIR VALUE GAIN ON INVESTMENT PROPERTY

During the year investment property (North Street, Kingston) was revalued by independent appraisers for $492.5 million (2020: $437 million). The associated gains of $55 million were reflected in income as a fair value gain on investment property.

OTHER GAINS

Other gains of $54 million (2020: $48 million) increased $6 million or 12% year-over-year due, driven by foreign exchange conversion gains (the JMD dollar depreciated 8.2% over the review period). With the exception of local real estate, the investment portfolio was over 90% USD denominated at the March 31 2021 year-end.

EXPENSES

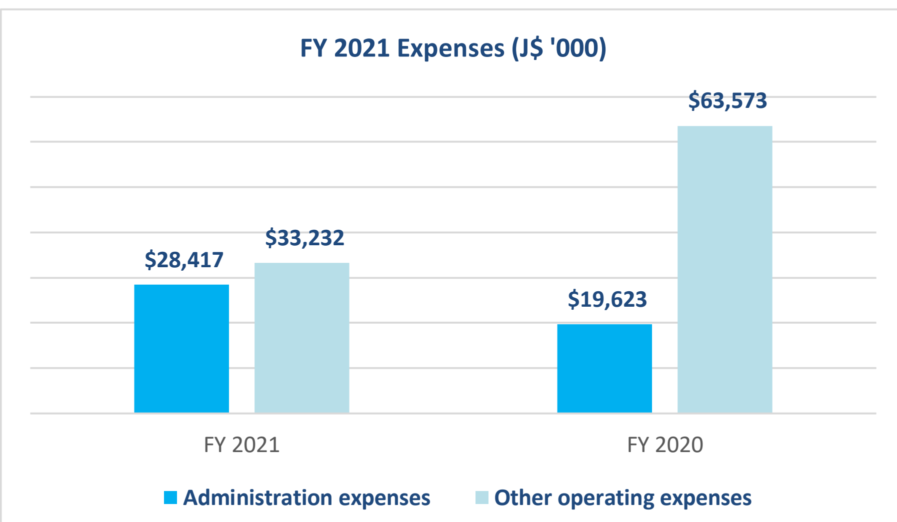
Group expenses of $60 million (2020: $88 million) decreased $28 million or 32% year-over-year. The company continued to manage costs carefully and was successful in reducing or holding constant, most categories of expenses.

ADMINISTRATION EXPENSES

Administration expenses of $28.4 million (2020: $19.6 million) increased $8.8 million or 45%. Disposal losses contributed to the year-over-year variance, offset by cost reductions recorded for various other expense categories including Depreciation, Repairs/Maintenance, Director's fees and Office Expenses.

OTHER OPERATING EXPENSES

Other Operating Expenses of $33.2 million (2020: $63.5 million) declined $30.3 million or 48%. The reduction was driven by the reversal of a tax provision of $12 million, which was implemented in the comparative period, as well as reductions in several expense categories including other Professional fees and Utilities.



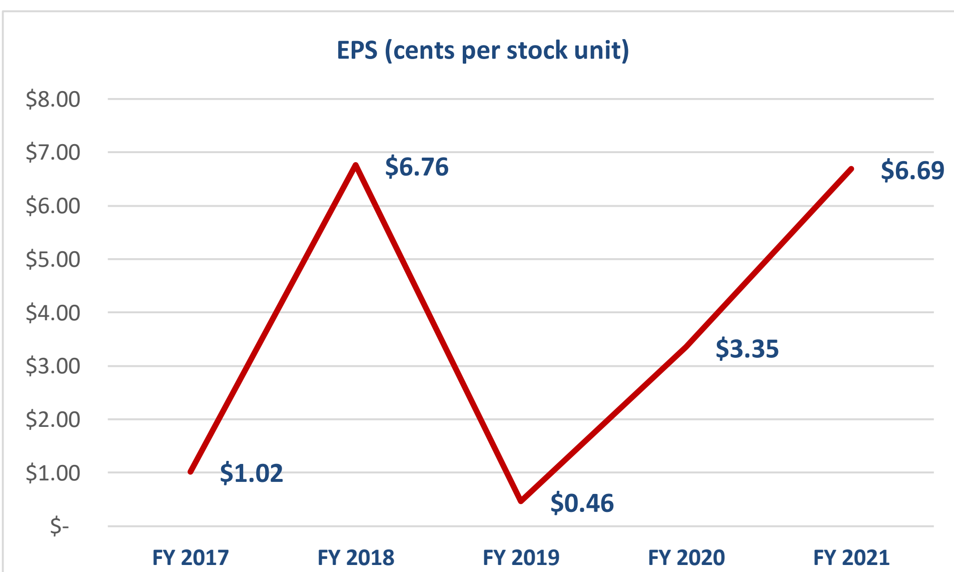
SHARE OF PROFIT FROM INTEREST IN ASSOCIATE

The Group recognized a share of profit from interest in associate (before taxes) of $18 million (2020: $47 million), a reduction of $28.4 million or 61%. The decline was attributed to the longer period (27-months) profits recorded for the associate in FY 2019/20, versus the current 12-months profits recognized. A 27-month compilation of the associate's accounts was done last year to bring the associate's accounts up to date and in line with the Group's March 31 year-end.

TAXATION

The taxation charge for the year amounted to $6 million (2020: $11 million). During the period your company filed Appeals with the Revenue Appeals Division ("RAD"), objecting to Tax Administration Jamaica ("TAJ") assessments related to its 2010 financial year. The revised assessments totaled $50.9 million.

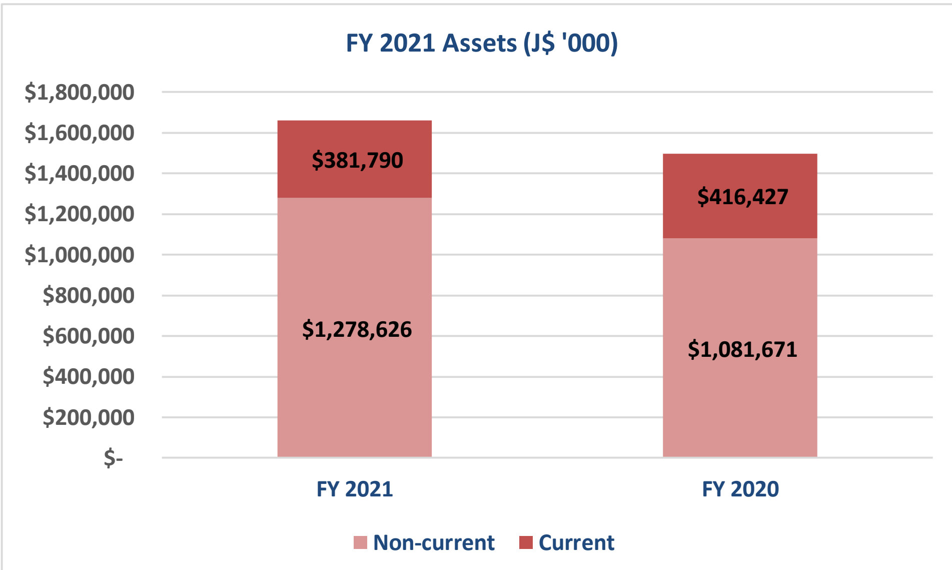
The Appeals were successful, and the RAD confirmed the decision to discharge the assessments against the company in November 2020. As a result, taxation provisions of $13.77 million which were included in the comparative period, were reversed as at March 31, 2021.



GROUP STATEMENT OF FINANCIAL POSITION

ASSETS

Total assets of $1,660 million (2020: $1,498 million) increased $162 million, or 11% year-over-year. Assets were largely (over 75%) comprised of real estate and liquid investments.



NON-CURRENT ASSETS

Non-current assets of $1,279 million (2020: $1,082 million) increased $197 million or 18% year-over-year. The increase was driven by additional USD investments acquired in the period, as well as the recovery in investment portfolio valuations relative to the prior financial year-end's lows (which were driven by COVID-19 related bond and equity market sell-offs). Re-valuation of the North Street commercial property also added $55 million to the carrying value of investment properties.

CURRENT ASSETS

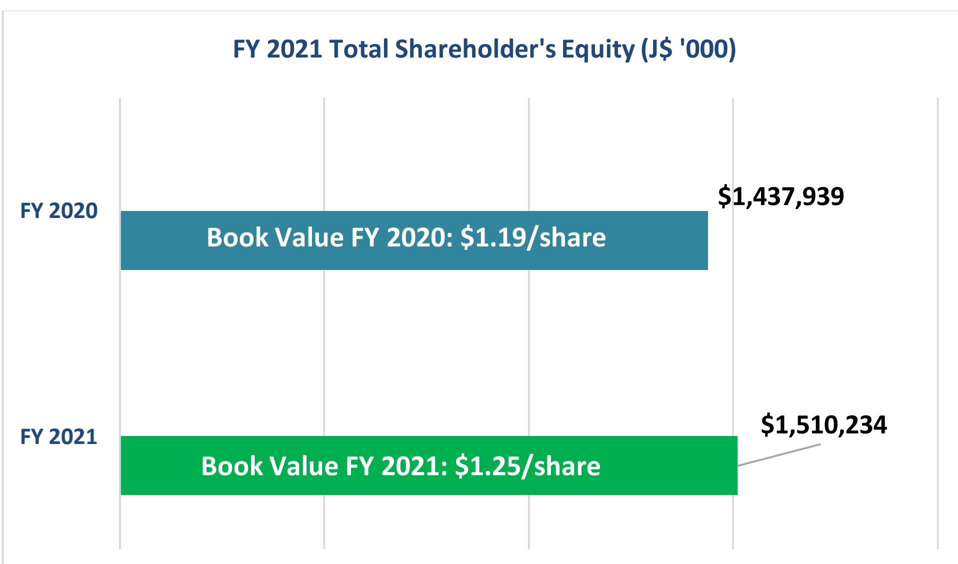
Current assets of $382 million (2020: $416 million) decreased $34.6 million or 8%. The decline was driven by a reduction in cash, as funds were deployed for the acquisition of new investments. The reduction was offset in part by increased short-term investment balances (“Securities purchased under resale agreements”) which grew $34 million, or 12% year over year.

LIABILITIES AND EQUITY

Total liabilities of $150 million (2020: $60 million) represented 9% of the Group’s total liabilities and equity. Current liabilities increased during the year as a result of a short-term US$750,000 loan facility. The loan proceeds were channeled into new investment acquisitions.

SHAREHOLDERS EQUITY

Total equity attributable to the equity holders of 1834 was $1,510 million at year-end (2020: $1,438 million).



RISK MANAGEMENT

Your company is exposed to various business and financial risks including market risks such as interest rate risk, currency risk, credit risk and liquidity risk, as well as legal and regulatory risk, fiduciary or disclosure breaches, technology failure, financial crime, cyber security threats and environmental risks.

Several of these risks were heightened during the period under review due to the onset of COVID-19 and related uncertainties.

Your company, however, has a well-established governance structure which satisfactorily protected against the various financial and operational risks during the period. The risk management framework and mitigation strategies employed during the year were considered effective in assessing and managing the Group's risk exposure, and continue to be employed.

Your company manages the risk profile of its investments by conducting regular reviews of its investment portfolio to identify and quantify the various risks and to set appropriate limits and make adjustments as necessary. Your company also reviews its operations to assess other risks and to ensure effective policies to mitigate any adverse outcomes are in place.

Looking Forward

The open-ended trajectory of the COVID-19 pandemic and its attendant uncertainties continue to impact businesses and investments globally. Your company considers that while risks to the local economy and wider global economic landscape are still fairly elevated, they have receded in the last financial year, and expects that governments around the world will continue to employ accommodative policies and stimulus measures, subject to their respective economic conditions and available fiscal space.

1834 sees new and encouraging business and investment opportunities on the horizon, and remains well positioned operationally and financially to take advantage of these, to the benefit of our shareholders. Your board remains focused on safeguarding your company's current investments, and is committed to maximizing returns to you, our shareholders.

Your company, having demonstrated its resilience in the last financial year amidst the many uncertainties, looks to the future with optimism.

CORPORATE GOVERNANCE

The Board of Directors is collectively responsible for promoting the success of the company by directing and overseeing the company's affairs.

BOARD RESPONSIBILITIES:

The Board is responsible for:

I. Providing leadership by setting the corporate policies and strategic aims of the company and monitoring the achievement of same.

II. Ensuring that the necessary financial and human resources are in place for the company to meet its objectives.

III. Setting the company's values and standards and ensuring that its obligations to its shareholders and other stakeholders are understood and met.

IV. Scrutinizing the performance of management with regards to meeting agreed goals and objectives, and monitoring the reporting of performance.

V. Deciding on and approving matters to include:

   i. Major funding proposals, investments, acquisitions and divestments including the Group's commitments in terms of capital and other resources;

   ii. Annual budgets and financial plans of the company;

   iii. Internal controls and risk management strategies and execution; and

   iv. Appointment of directors, including the Managing Director.

BOARD COMPOSITION

As at March 31, 2021, the board comprised seven (7) directors and was chaired by Joseph M. Matalon, CD. Hon. Douglas R. Orane, CD served in the capacity of Vice-Chairman and Hon. John J. Issa, OJ, CD continued to serve in the role of Honorary Chairman. All seven (7) directors were non-executive directors and five (5) were considered independent.

In determining whether a board member is independent, the board considers whether there are circumstances which are likely to affect, or could appear to affect, the member's judgment and thereby independence. A director is not considered independent if the director:

- has been employed to the company within the last three years;
- has, or has had, within the last three years, a material business relationship with the company either directly, or as a partner, major shareholder, director or senior executive of a body that has had such a relationship with the company;
- has direct family ties with any of the company's directors, senior executive, or any of the company's advisors;
- has participated or participates in the company's share option, or any of the company's performance-related pay schemes within the last three years;
- has received or receives from the company, remuneration additional to a director's fee; or
- represents a significant shareholder in the company.

BOARD SUCCESSION

All directors are subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter at intervals in keeping with the company’s articles. Subject to re-election/election, directors appointed to the board may serve on the board until he or she attains the age of seventy-five (75) years.

BOARD COMPENSATION

The shareholders determine the remuneration of the non-executive directors within the guidelines set out in the Articles of Incorporation. Executive directors receive no remuneration.

The level of compensation of directors aims to reflect the time, commitment and responsibilities of the role and consists of a package appropriate to attract, retain and motivate directors of the quality required.

BOARD EVALUATION

The Group completed a Board Evaluation in 2020/21 in the form of a written survey. The exercise was internally driven by the Corporate Governance Committee and the results indicated general satisfaction with the board’s performance. The findings were shared with the board and recommendations to strengthen board performance were discussed and implemented.

BOARD AND COMMITTEE MEETINGS

Five Directors' meetings were held from April 1, 2020 to March 31, 2021, as follows:
2020: July 30, November 9, November 23 and December 18.
2021: February 25.

The meeting attendance by the directors and the Honorary Chairman is reflected in the Table below.

ATTENDANCE RECORD FOR
1834 BOARD and COMMITTEE MEETINGS April 2020 to March 2021

Name	Board (5)	Corporate Governance (2)	Audit (6)
Joseph M. Matalon, CD (Chairman)	5	2	6
Hon. Douglas R. Orane, CD (Vice-Chairman)	5	2	6
Professor Carol D. Archer	5	2	-
Lisa G. Johnston	5	2	6
Elizabeth A. Jones, CD	5	-	6
Monica Ladd	5	-	-
Morin M. Seymour, CD	5	-	-
Hon. John J. Issa, OJ, CD (Honorary Chairman)	5	-	-

COMMITTEES OF THE BOARD

To ensure that specific issues are subject to in-depth and timely review, certain functions have been delegated to various Board committees, which submit their recommendations or decisions to the Board. The committees constituted by the Board include: the Corporate Governance and Nomination Committee, and the Audit Committee, both of which are described briefly below:

CORPORATE GOVERNANCE AND NOMINATION COMMITTEE

The purpose of this committee is to strive to achieve global corporate governance best practice standards. The members of the committee as at March 31, 2020 were:

Hon. Douglas R. Orane, CD (Chair)
Professor Carol D. Archer
Lisa G. Johnston

The committee assists the Board with:

- Organizing and executing the annual review of the Board's performance and the performance of individual directors.

- Establishing, monitoring, reviewing and recommending to the Board, the corporate governance policies and procedures by which the Company and the Board shall be guided.

- The promotion of high standards of corporate governance based on the principles of openness, integrity and accountability, taking into account any existing legal and regulatory framework to which the Company may be accountable.

- Keeping up to date on corporate governance developments so as to ensure the Group's governance practices are in line with best practices.

- Monitoring and reviewing issues regarding the Company's conduct of its business as a responsible corporate citizen and to this end, review and revise (and where necessary, create) existing ethical standards, rules, codes of the Company for compliance with best practices, for the approval of the Board.

- Reviewing the composition, operation and effectiveness of the Board committees and to this end, make recommendations to the Board to enhance performance and effectiveness.
- Seeing to the development and implementation of a Board induction process which includes ensuring the orientation of new Directors and appropriate training for all Directors.
- Ensuring systems are in place to bring possible conflicts of interest of Directors and related party transactions to the attention of the Board, and in addition, to make relevant proposals to the Board in accordance with the Company's corporate governance code.
- The nomination of new Directors and review of the existing Directors.
- Reviewing, at regular intervals and at least once a year, the Company's succession plan in respect of senior executive positions within the Group.

CORPORATE GOVERNANCE CODE

The Corporate Governance Code can be found on the Company's website at:

http://1834investments.com/pdf/1834investments-corporate-governance-code.pdf

AUDIT COMMITTEE

The Audit Committee of the board reviews financial performance and budgets, assesses operational risk and mitigation plans, and makes recommendations to the board for its decision.

The members of the committee as at March 31, 2021 were:

Elizabeth A. Jones, CD (Chair)
Lisa G. Johnston
Joseph M. Matalon, CD
Hon. Douglas R. Orane, CD

The roles and responsibilities of the Audit Committee include:

- Monitoring the financial objectives of the Company and Company's financial performance.
- Ensuring that the Company is compliant with the relevant reporting standards.
- Making formal financial announcements relating to the Company's financial performance.
- Reviewing and monitoring the external auditors' independence, objectivity and effectiveness of the audit process, taking into account relevant Jamaican and International professional and regulatory requirements.
- Monitoring and reviewing the effectiveness of the Company's internal audit functions.
- Considering, approving and recommending to the Board, the Group's annual operating and capital budgets.

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INDEPENDENT AUDITORS' REPORT

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of 1834 Investments Limited ("the company") comprising the separate financial statements of the company and the consolidated financial statements of the company and its subsidiaries ("the group"), set out on pages 45 - 103, which comprise the group's and the company's statements of financial position as at March 31, 2021, the group's and the company's income statements, statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the group and the company as at March 31, 2021, and of the group's and the company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Key Audit Matters

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

1. *Valuation of investment properties*

Key audit matter	*How the matter was addressed in our audit*
The valuation of the group's investment properties requires significant estimation, which is affected by uncertainty of market factors, pricing assumptions and general business and economic conditions. *See note 4 of the financial statements.*	Our audit procedures in this area included the following: • Evaluating the reasonableness of the valuation methodologies used by the property appraiser engaged by management and the fair value conclusions for the properties at the valuation date. • Inspecting the investment properties to evaluate their physical condition and consideration of evidence of damage or impairment that might affect the fair value measurements. • Assessing the adequacy and appropriateness of the group's investment property disclosures, including the valuation techniques and significant unobservable inputs in accordance with IFRS 13, *Fair Value Measurement.*

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

1. *Valuation of investment properties (continued)*

Key audit matter	*How the matter was addressed in our audit*
	Our audit procedures in this area included the following (continued): • Involving our own valuation specialist to: - Assess the suitability of the report prepared by the property appraiser employed by management for financial reporting purposes; - Assess whether the report prepared by the property appraiser employed by management meets International Valuation Standards Council standards for valuation reports; - Assess the appropriateness of the qualifications and experience of the property appraiser employed by management; and - Challenging the appraiser's key assumptions, including the state of the current real estate market conditions, for appropriateness.

KPMG

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

2. Valuation of investments

Key audit matter	*How the matter was addressed in our audit*
The group's investments measured at fair value include corporate and municipal bonds. These investments are classified as fair value through other comprehensive income and categorised as Level 2 in the fair value hierarchy. Valuation of these instruments, although based on observable inputs, involves the exercise of judgement and the use of assumptions. Management used valuation techniques which required inputs such as market yields obtained from established yield curves. *See note 21(d) of the financial statements.*	Our audit procedures in this area included the following: • Challenging the reasonableness of yields/prices by comparison to independent third-party pricing sources. • Involving our own valuation specialists to determine/obtain yields/prices of specific securities and comparing these to those used by management; and • Challenging the adequacy of disclosures including the degree of estimation involved in determining fair values.

3. Expected credit loss on financial assets

Key audit matter	*How the matter was addressed in our audit*
The determination of expected credit losses ('ECL') on financial assets is highly subjective and requires management to make significant judgement and estimates. We therefore determined that the impairment of other receivables and investments has a high degree of estimation uncertainty.	Our audit procedures in this area included the following: • Obtaining an understanding of the models used by management for the calculation of expected credit losses, including governance over the determination of key judgements.

KPMG

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

3. Expected credit loss on financial assets (continued)

Key audit matters	*How the matter was addressed in our audit*
The key areas requiring greater management judgement include the identification of significant increase in credit risk ('SICR'), the determination of probabilities of default, loss given default, exposures at default and the application of forward-looking information. Significant management judgement is used in determining the appropriate variables and assumptions used in the ECL calculations, which increases the risk of a material misstatement. These estimates involve increased judgment as a result of the economic impact of COVID-19 on the group's financial assets. Management considered the following: • Qualitative factors that create COVID-19-related changes to SICR. • Increased uncertainty about potential future economic scenarios and their impact on credit losses. *See note 21(a) of the financial statements.*	Our audit procedures in this area included the following (continued): • Testing the completeness and accuracy of the data used in the models to the underlying accounting records on a sample basis. • Involving our financial risk modelling specialists to evaluate the appropriateness of: - the group's impairment methodologies, including the SICR criteria used and independently assessing the assumptions for probability of default, loss given default and exposure at default; and - the group's methodology for determining the economic scenarios used and the probability weightings applied to them. We also tested to external sources, a sample of economic variables used. • Assessing the adequacy of the disclosures of the key assumptions and judgements for compliance with IFRS 9.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended March 31, 2021, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
1834 INVESTMENTS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 43 - 44, forms part of our auditors' report.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is R. Tarun Handa.

KPMG

Chartered Accountants
Kingston, Jamaica

July 15, 2021

INDEPENDENT AUDITORS' REPORT (Continued)

To the Members of
1834 INVESTMENTS LIMITED

Appendix to the Independent Auditors' Report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's/group's internal control.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT (Continued)

To the Members of
1834 INVESTMENTS LIMITED

Appendix to the Independent Auditors' Report (continued)

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

1834 INVESTMENTS LIMITED
MARCH 31, 2021

Statements of Financial Position

	NOTES	GROUP		COMPANY	
		2021 $'000	2020 $'000	2021 $'000	2020 $'000
Assets					
Property, plant and equipment	3	784	2,139	784	2,139
Investment properties	4	492,500	437,097	492,500	437,097
Long-term receivables	5	16,887	18,658	16,887	18,658
Interest in associate	6	333,261	344,623	54,448	53,235
Investments	7	435,194	279,154	435,194	279,154
Total non-current assets		1,278,626	1,081,671	999,813	790,283
Cash and cash equivalents	8	34,272	110,576	25,794	104,183
Securities purchased under resale agreements	9	302,895	269,281	302,895	269,281
Other receivables	10	28,945	24,650	41,834	37,750
Taxation recoverable		15,678	11,920	15,678	11,920
Total current assets		381,790	416,427	386,201	423,134
Total assets		**1,660,416**	**1,498,098**	**1,386,014**	**1,213,417**
Equity					
Share capital	11	605,622	605,622	605,622	605,622
Reserves	12	904,612	832,317	628,296	545,721
Total equity attributable to equity holders of parent		1,510,234	1,437,939	1,233,918	1,151,343
Liabilities					
Deferred tax liability, being total non-current liability	13	2,353	4,245	2,353	4,245
Accounts payable	14	39,169	55,914	41,083	57,829
Note payable	15	108,660	-	108,660	-
Total current liabilities		147,829	55,914	149,743	57,829
Total liabilities		150,182	60,159	152,096	62,074
Total equity and liabilities		**1,660,416**	**1,498,098**	**1,386,014**	**1,213,417**

The financial statements on pages 45 to103 were approved for issue by the Board of Directors on July 15, 2021 and signed on its behalf by:

Joseph M. Matalon, C.D. Chairman

Elizabeth A. Jones, C.D. Director

1834 INVESTMENTS LIMITED
MARCH 31, 2021

Income Statements

	NOTES	GROUP 2021 $'000	GROUP 2020 $'000	COMPANY 2021 $'000	COMPANY 2020 $'000
Revenue					
Operating income	16(a)	21,091	25,075*	45,504	25,075*
Fair value gain on investment property	4	55,403	22,747	55,403	22,747
Other gains	16(b)	53,532	47,701*	53,532	47,701*
		130,026	95,523	154,439	95,523
Administration expenses		(28,417)	(19,623)	(28,417)	(19,623)
Other operating expenses		(33,232)	(63,573)	(33,232)	(59,318)
Impairment gain/(loss)		1,204	(5,097)	1,204	(5,097)
	17	(60,445)	(88,293)	(60,445)	(84,038)
Profit from operations		**69,581**	**7,230**	**93,994**	**11,485**
Finance costs		(956)	(373)	(945)	(340)
Loss on liquidation of subsidiaries	22	-	(1,896)	-	(5,604)
Share of profit from interest in associate	6	18,143	46,561	-	-
Profit before taxation		**86,768**	**51,522**	**93,049**	**5,541**
Taxation charge	18	(5,686)	(10,932)	(280)	(3,533)
Profit for the year		**81,082**	**40,590**	**92,769**	**2,008**
Dealt with in the financial statements of:					
Parent company		92,769	2,008		
Subsidiaries		-	(580)		
Associate	6	12,737	39,162		
Intra-group dividends and distributions		(24,424)	-		
		81,082	**40,590**		
Earnings per stock unit:					
Based on stock units in issue	19	6.69¢	3.35¢		
Excluding stock units in GCLEIT	19	6.89¢	3.45¢		

* Reclassified to conform with current year presentation (see note 16).

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

1834 INVESTMENTS LIMITED
MARCH 31, 2021

Statements of Profit or Loss and Other Comprehensive Income

	NOTES	GROUP 2021 $'000	GROUP 2020 $'000	COMPANY 2021 $'000	COMPANY 2020 $'000
Profit for the year		81,082	40,590	92,769	2,008
Other comprehensive income (OCI):					
Item that will never be reclassified to profit or loss					
Net gains/(losses) on investments in equity securities designated at fair value through OCI (FVOCI)		25,125	(11,481)	25,125	(11,481)
Items that may be reclassified to profit or loss					
Fair value adjustments on debt securities at fair value through OCI (FVOCI)		13,131	10,659	13,131	10,659
Other comprehensive income/(loss) for the year, net of taxation		38,256	(822)	38,256	(822)
Total comprehensive income for the year		119,338	39,768	131,025	1,186
Dealt with in the financial statements of:					
The company		131,025	1,186		
Subsidiaries		-	(580)		
Associate	6	12,737	39,162		
Intra-group dividends and distributions		(24,424)	-		
		119,338	39,768		

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

1834 INVESTMENTS LIMITED
MARCH 31, 2021

Group Statement of Changes in Equity

	Share capital $'000	Capital reserves $'000	Fair value reserves $'000	Reserve for own shares $'000	Retained profits $'000	Total equity $'000
Balances as at March 31, 2019	605,622	540,244	4,825	(34,873)	376,495	1,492,313
Total comprehensive income for the year						
Profit for the year	-	-	-	-	40,590	40,590
Other comprehensive loss for the year:						
Fair value adjustments on debt securities at FVOCI	-	-	10,659	-	-	10,659
Net losses on investments in equity securities designated at fair value through OCI	-	-	(11,481)	-	-	(11,481)
Total other comprehensive loss for the year, net of taxation	-	-	(822)	-	-	(822)
Total comprehensive profit for the year, net of taxation	-	-	(822)	-	40,590	39,768
Transfer on liquidation of wholly owned subsidiaries	-	(157)	-	-	157	-
Transfers	-	(18,002)	-	-	18,002	-
	-	(18,159)	-	-	18,159	-
Transactions with owners, recorded directly in equity:						
Total distributions to owners (note 20)	-	(94,142)	-	-	-	(94,142)
Balances as at March 31, 2020	605,622	427,943	4,003	(34,873)	435,244	1,437,939
Total comprehensive income for the year						
Profit for the year	-	-	-	-	81,082	81,082
Other comprehensive income for the year:						
Fair value adjustments on debt securities at FVOCI	-	-	13,131	-	-	13,131
Net losses on investments in equity securities designated at fair value through OCI	-	-	25,125	-	-	25,125
Total other comprehensive income for the year, net of taxation	-	-	38,256	-	-	38,256
Total comprehensive income for the year, net of taxation	-	-	38,256	-	81,082	119,338
Transactions with owners, recorded directly in equity:						
Total distributions to owners (note 20)	-	-	-	-	(47,043)	(47,043)
Balances as at March 31, 2021	**605,622**	**427,943**	**42,259**	**(34,873)**	**469,283**	**1,510,234**

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

1834 INVESTMENTS LIMITED
MARCH 31, 2021

Company Statement of Changes in Equity

	Share capital $'000	Capital reserves $'000	Fair value reserves $'000	Retained profits $'000	Total equity $'000
Balances at March 31, 2019	605,622	540,244	4,825	96,366	1,247,057
Total comprehensive income for the year					
Profit for the year	-	-	-	2,008	2,008
Other comprehensive loss:					
Fair value adjustments on debt securities at FVOCI	-	-	10,659	-	10,659
Net losses on investments in equity securities designated at fair value through OCI	-	-	(11,481)	-	(11,481)
Total other comprehensive loss for the year, net of taxation	-	-	(822)	-	(822)
Total comprehensive income/(loss) for the year, net of taxation	-	-	(822)	2,008	1,186
Transfers	-	(15,244)	-	15,244	-
Transactions with owners, recorded directly in equity					
Total distributions to owners (note 20)	-	(96,900)	-	-	(96,900)
Balances at March 31, 2020	605,622	428,100	4,003	113,618	1,151,343
Total comprehensive income for the year					
Profit for the year	-	-	-	92,769	92,769
Other comprehensive gain:					
Fair value adjustments on debt securities at FVOCI	-	-	13,131	-	13,131
Net gains on investments in equity securities designated at fair value through OCI	-	-	25,125	-	25,125
Total other comprehensive income for the year, net of taxation	-	-	38,256	-	38,256
Total comprehensive profit for the year, net of taxation	-	-	38,256	92,769	131,025
Transactions with owners, recorded directly in equity					
Total distributions to owners (note 20)	-	-	-	(48,450)	(48,450)
Balances at March 31, 2021	**605,622**	**428,100**	**42,259**	**157,937**	**1,233,918**

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

1834 INVESTMENTS LIMITED
MARCH 31, 2021

Statements of Cash Flows

	NOTES	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Cash flows from operating activities					
Profit for the year		81,082	40,590	92,769	2,008
Adjustments to reconcile profit/(loss) to net cash provided/(used)by operating activities:					
Depreciation	3	1,355	3,961	1,355	3,961
Income tax	18(ai)	7,578	24,182	2,172	16,783
Deferred taxation	18(aii)	(1,892)	(13,250)	(1,892)	(13,250)
Interest income	16(a)	(16,529)	(18,908)	(16,529)	(18,908)
Interest expense		956	373	945	340
Increase in fair value of investment properties		(55,403)	(22,747)	(55,403)	(22,747)
Impairment (gain)/loss	17	(1,204)	5,097	(1,204)	5,097
Share of profit of associate, net of tax	6	(12,737)	(39,162)	-	-
Gain on disposal of assets held for sale		-	(5,999)	-	(5,999)
Loss on sale of bond		11,126	2,852	11,126	2,852
Gain on sale of pension assets		-	(19,466)	-	(19,466)
Loss on liquidation of subsidiaries		-	1,896	-	5,604
Increase in the fair value of units		(2,588)	(369)	(2,588)	(369)
		11,744	(40,950)	30,751	(44,094)
Tax paid		(11,335)	(13,140)	(5,930)	(5,741)
Interest paid		(956)	(373)	(945)	(340)
Dividend received, net		27,672	-	26,773	-
Other receivables		(4,493)	(2,839)	(4,282)	(7,082)
Accounts payable		(16,745)	17,542	(16,745)	17,561
Net cash used in operating activities		5,887	(39,760)	29,622	(39,696)
Cash flows from investing activities					
Interest received		16,699	17,787	16,699	17,787
Interest in associates		(1,213)	-	(1,213)	-
Additions to property, plant and equipment		-	(39)	-	(39)
Proceeds from sale of assets held for sale		-	101,812	-	101,812
Proceeds from sale of bonds		31,540	68,233	31,540	68,233
Securities purchased under agreement for resale		(33,597)	(76,052)	(33,597)	(76,052)
Proceeds from settlement of pension units		-	59,173	-	59,173
Investments, net		(156,679)	(19,766)	(156,679)	(19,765)
Long-term receivable		1,802	3,083	1,802	3,083
Dividends income		(2,360)	-	(26,773)	-
Net cash (used in)/provided by investing activities		(143,808)	154,231	(168,221)	154,232
Cash flows from financing activity					
Distributions	20	(47,043)	(94,142)	(48,450)	(96,900)
Proceeds of note payable		108,660	-	108,660	-
Net cash provided by/(used in) financing activities		61,617	(94,142)	60,210	(96,900)
Net (decrease)/increase in cash and cash equivalents		(76,304)	20,329	(78,389)	17,636
Cash and cash equivalents at beginning of the year		110,576	90,247	104,183	86,547
Cash and cash equivalents at end of the year		34,272	110,576	25,794	104,183

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

1834 INVESTMENTS LIMITED

Notes to the Financial Statements
March 31, 2021

1. Identification

1834 Investments Limited, formerly The Gleaner Company Limited ("company" or "parent company"), is incorporated under the laws of, and is domiciled in Jamaica. The company is listed on the Jamaica Stock Exchange and has its registered office at 7 North Street, Kingston.

"Group" refers collectively to the company, its associate and special purpose entity which are as follows:

	Principal activity	Country of registration	% Ownership by Group
Associate:			
Jamaica Joint Venture Investment Company Limited (JJVI)	Real estate investment	Jamaica	50% Joint venture
Special purpose entity:			
Gleaner Company Limited Employee Investment Trust (GCLEIT)	Trust instituted to acquire shares for the benefit of employees	Jamaica	100%

JJVI has a 100% shareholding in Manhart Properties Limited and City Properties Limited both of which own commercial properties (see also note 6).

The group's principal activities are the management of real estate and other investments.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of the Jamaican Companies Act (Act).

Details of the group's accounting policies, including changes during the year are included in note 25.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

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

(b) Basis of measurement:

The financial statements are prepared on the historical cost basis, except for investment properties and certain debt and equity securities which are measured at fair value.

(c) Functional and presentation currency:

The financial statements are presented in Jamaica dollars, which is the functional currency of the group. Financial information presented is shown in thousands of Jamaica dollars, unless otherwise stated.

(d) Use of estimates and judgements:

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

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

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

(i) Critical accounting judgements in applying the group's accounting policies

For the purpose of these financial statements, prepared in accordance with IFRS, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the principles set out in IFRS.

(1) Classification of financial assets:

The assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest (SPPI) on the principal amount outstanding requires management to make certain judgements on its business operations.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

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

(d) Use of estimates and judgements (continued):

(i) Critical accounting judgements in applying the group's accounting policies (continued)

(2) Impairment of financial assets:

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement.

(3) Treatment of joint arrangements

Establishing whether the application of equity accounting is the appropriate method of measuring and disclosing the group's interest in Jamaica Joint Venture Investment Company Limited [See note 25 (a) (iv)].

(ii) Key assumptions and other sources of estimation uncertainty

(1) Impairment of financial assets:

A number of significant judgements are required in applying the accounting requirements for measuring expected credit loss (ECL), such as:

- Determining criteria for significant increases in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the group in the above areas is set out in note 21(a).

(2) Determination of fair values:

The group measures fair values using the following fair value hierarchy which reflects the significance of the inputs used in making the measurements:

- Level 1 – Inputs that are quoted market prices (unadjusted) in an active market for an identical asset or liability.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

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

(d) Use of estimates and judgements (continued):

(ii) Key assumptions and other sources of estimation uncertainty (continued)

(2) Determination of fair values (continued):

- Level 2 – Inputs that are other quoted prices included within level 1 that are observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 – Inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models.

Considerable judgment is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(3) Investment properties:

Investment properties reflect fair value amounts, based on market information, including valuations done by independent property appraisers. On the instructions of management, the appraisers have used valuation techniques such as the direct sales comparison approach and income approach to determine fair value as detailed in note 4.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

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

(d) Use of estimates and judgements (continued):

(ii) Key assumptions and other sources of estimation uncertainty (continued)

(4) Income taxes:

In the ordinary course of the group's business, it undertakes transactions, and is subject to events, the tax effects of which are uncertain. In the face of such uncertainty, the group makes estimates and judgements in determining the provision for income taxes.

The final tax outcome attributable to matters subject to such estimates and judgements may be materially different from that which is initially recognised. Any such difference will impact the current and deferred income tax provisions in the period in which such determination is made.

(e) Prior year comparative information has been reclassified to accord with current year presentation.

(f) Impact of Covid-19

The preparation of the financial statements in accordance with IFRS assumes that the company will continue for the foreseeable future. This means, in part, that the statement of profit or loss and other comprehensive income and the statement of financial position assume no intention or necessity to liquidate or curtail the scale of operations. This is commonly referred to as the going concern basis. Companies are required to assess and disclose material uncertainties related to events or conditions that may cast significant doubt on their ability to continue as a going concern. In addition, disclosure is required when management concludes that there are no material uncertainties but reaching that conclusion involved significant judgement.

The Covid-19 outbreak is evolving rapidly, having already seen a number of significant developments within a relatively short timeframe. These developments have significant business implications for many entities, as well as related financial statement effects.

Because the spread of Covid-19 has triggered a series of events rather than a one-off event, the assessment of the severity of the effects on an entity can vary significantly depending on the sector and markets that an entity operates in, as well as the specific conditions at the time when the assessment is made. As indicated in note 21(a)(ii), management has considered the impact of the Covid-19 outbreak on its financial assets. These estimates involve increased judgment as a result of the economic impacts of Covid-19 on the group's financial assets. Inter alia, management has considered qualitative factors that create Covid-19 related changes to significant increase in credit risk (SICR) and increased uncertainty about potential future economic scenarios and their impact on credit losses. Management, supported by its external property appraiser, also considered the impact of Covid-19 related economic scenarios on its investment properties and concluded that the going concern basis continues to be appropriate in the preparation of the financial statements.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

3. Property, plant and equipment

	Group and Company		
	Machinery and equipment $'000	Fixtures and fittings $'000	Total $'000
Cost			
Balances as at March 31, 2019	59,271	-	59,271
Additions	-	39	39
Balances as at March 31, 2020	59,271	39	59,310
Additions	-	-	-
Balances as at March 31, 2021	59,271	39	59,310
Depreciation			
Balances at March 31, 2019	53,210	-	53,210
Charge for the year	3,958	3	3,961
Balances at March 31, 2020	57,168	3	57,171
Charge for the year	1,351	4	1,355
Balances at March 31, 2021	58,519	7	58,526
Carrying amounts			
March 31, 2021	752	32	784
March 31, 2020	2,103	36	2,139

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

4. Investment properties

Group and Company

2021

	Building 7 North Street Level 3 $'000	Land 103 East Street Level 2 $'000	Land 105 East Street Level 2 $'000	Land 101A East Street Level 2 $'000	Land 66C John's Lane Level 2 $'000	Land 66D John's Lane Level 2 $'000	Total $'000
At April 1	424,672	1,993	5,285	1,871	1,405	1,871	437,097
Fair value gain	53,328	333	883	312	235	312	55,403
At March 31	478,000	2,326	6,168	2,183	1,640	2,183	492,500

2020

	Building 7 North Street Level 3 $'000	Land 103 East Street Level 2 $'000	Land 105 East Street Level 2 $'000	Land 101A East Street Level 2 $'000	Land 66C John's Lane Level 2 $'000	Land 66D John's Lane Level 2 $'000	Total $'000
At April 1	402,650	1,876	4,977	1,762	1,323	1,762	414,350
Fair value gain	22,022	116	309	109	82	109	22,747
At March 31	424,672	1,992	5,286	1,871	1,405	1,871	437,097

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

4. Investment properties (continued)

During the year, investment properties generated income and incurred expenses as follows:

	Group and Company	
	2021	2020
	$'000	$'000
Income earned from investment properties	2,202	4,413
Expenses incurred on investment properties	498	968

Investment properties with a value of $492,500,000 (2020: $437,097,000) are based on fair values as at March 31, 2021, determined by professional independent valuators, Allison, Pitter & Company, who are accredited independent valuators with recognised and relevant professional qualifications and with recent experience in the locations and categories of the investment properties being valued. The valuation models, in accordance with those recommended by the Royal Institution of Chartered Surveyors, have been applied and are consistent with IFRS 13.

The fair values of land and buildings are categorised as level 2 and level 3 in the fair value hierarchy. The following table shows the valuation technique used in measuring fair value as well as the significant unobservable inputs used.

Class of property	Fair value 2021 $'000	Fair value 2020 $'000	Valuation technique	Key unobservable inputs
Building 7 North Street	478,000	424,672	Income based approach	• Rental growth (p.a.) • Voids & letting delays • Discount rate • Net rental value • Capitalisation rate
Land 103 East Street	2,326	1,992	Market based approach	• Conditions influencing the sale of comparable properties. • Comparability adjustment. • The potential rental value of the property in the current investment climate.
Land 105 East Street	6,168	5,286	Market based approach	• Conditions influencing the sale of comparable properties. • Comparability adjustment. • The potential rental value of the property in the current investment climate.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

4. Investment properties (continued)

Class of property	Fair value 2021 $'000	Fair value 2020 $'000	Valuation technique	Key unobservable inputs
Land 101A East Street	2,183	1,871	Market based approach	• Conditions influencing the sale of comparable properties. • Comparability adjustment. • The potential rental value of the property in the current investment climate.
Land 66C John's Lane	1,640	1,405	Market based approach	• Conditions influencing the sale of comparable properties. • Comparability adjustment. • The potential rental value of the property in the current investment climate.
Land 66D John's Lane	2,183	1,871	Market based approach	• Conditions influencing the sale of comparable properties. • Comparability adjustment. • The potential rental value of the property in the current investment climate.

5. Long-term receivables

	Group and Company	
	2021	**2020**
	$'000	**$'000**
Loan receivable [US$179,583 (2020: US$179,583)]	26,018	24,057
Less: Current portion [see other receivables (note 10)]	(8,451)	(4,688)
Less: Allowance for impairment losses	(680)	(711)
	16,887	18,658

Loan receivable represents the balance on a loan due to the company. This loan, which bears interest of 4% per annum, is secured by real estate. Under the repayment arrangement, the final payment is due August 2021. However due to the impact of Covid-19 a twelve-month moratorium was granted to the borrower, with the revised repayment date being August 2022.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

6. Interest in associate

The group has a 50% interest in a real estate investment company, Jamaica Joint Venture Investment Company Limited (JJVI). The 50% share of profit which is recognised in the current period is based on the associate's latest available audited financial statements for the year ended March 31, 2020, updated for significant transactions to March 31, 2021.

	Group		Company	
	2021 $'000	**2020 $'000**	**2021 $'000**	**2020 $'000**
Shares at cost	54,448	53,235	54,448	53,235
Group's share of reserves	304,125	291,388	-	-
Dividends received (50%)	(25,312)	-	-	-
	333,261	344,623	54,448	53,235

Associate company results recorded in the year ended March 31, 2021, related to the twelve-month period commencing April 1, 2020 to March 31, 2021 (2020: Twenty-seven months period ended March 31, 2020).

The following table summarises the financial information of the associate (JJVI), as included in its own financial statements, after elimination of differences in accounting policies and intercompany transactions.

	Group	
	2021 $'000	**2020 $'000**
Percentage ownership interest	**50%**	**50%**
Non-current assets:		
Property, plant and equipment	1,420	1,771
Investment properties	274,900	266,800
Goodwill on consolidation	711	711
Due from related parties	2,481	3,009
Deferred tax asset	371	548
Loan receivable	-	3,569
Total non-current assets	279,883	276,408
Current assets:		
Trade and other receivables	141,306	113,590
Taxation recoverable	3,149	617
Assets held for sale	235,000	235,000
Cash and cash equivalents	24,192	81,607
Total current assets	403,647	430,814

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

6. Interest in associate (continued)

	Group	
	2021	**2020**
	$'000	**$'000**
Non-current liabilities:		
Long term loans	(1,164)	(1,746)
Total non-current liabilities	(1,164)	(1,746)
Current liabilities:		
Due to ultimate holding company	(23)	(23)
Trade and other payables	(15,821)	(12,041)
Taxation payable	-	(4,165)
Total current liabilities	(15,844)	(16,229)
Net assets	666,522	689,247
Group share of net assets (50%)	333,261	344,623
Revenue from operations, being total revenue	90,597	204,173
Fair value adjustment	5,673	33,084
Depreciation and amortisation	(351)	(897)
Administrative expense	(59,170)	(140,387)
Interest expense	(464)	(2,851)
Profit before taxation	36,285	93,122
Group share of profit before taxation (50%)	18,143	46,561
Income tax charge	(10,812)	(14,797)
Group share of income tax charge (50%) (see note 18)	(5,406)	(7,399)
Net profit	12,737	39,162
Group's share of reserves:		
Balance as at April 1	291,388	252,226
Group's share of current year profit	12,737	39,162
Balance at March 31	304,125	291,388

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Notes to the Financial Statements (Continued)
March 31, 2021

7. Investments

	Group and Company	
	2021	**2020**
	$'000	**$'000**
Fair value through other comprehensive income (FVOCI):		
Quoted equities	82,897	53,793
Unquoted equities	6,050	6,050
Corporate bonds	136,697	85,734
	225,644	145,577
Amortised cost:		
Certificates of deposit	11,302	52,735
Investments at fair value through profit or loss (FVTPL):		
Units in unit trust	90,020	80,842
Bond funds	108,228	-
	435,194	279,154

8. Cash and cash equivalents

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Bank and cash balances	34,272	110,576	25,794	104,183

Bank and cash balances are maintained for transaction purposes with reputable counterparties, do not attract interest and include US$154,750 (2020: US$227,678) for the group and the company.

9. Securities purchased under resale agreements

The group and the company invest in securities purchased under resale agreements. At the reporting date the securities had a carrying amount of $302,894,829 (2020: $269,281,084), net of impairment allowance of $1,222,060 (2020: $1,240,000).

At the reporting date, the fair value of the underlying securities held as collateral for the resale agreements was $304,116,889 (2020: $270,520,639) for the group and the company.

10. Other receivables

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Due from related parties	-	-	14,308	14,308
Other receivables [see (a) below]	23,071	22,510	21,652	21,302
Current portion of long-term receivable (see note 5)	8,451	4,688	8,451	4,688
Less: Allowance for impairment losses	(2,577)	(2,548)	(2,577)	(2,548)
	28,945	24,650	41,834	37,750

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Notes to the Financial Statements (Continued)
March 31, 2021

10. Other receivables (continued)

(a) Other receivables is comprised as follows:

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
General Consumption Tax (GCT) recoverable	8,551	8,409	8,551	8,409
Interest receivable	5,545	5,714	5,545	5,714
Other receivables and prepayments	8,975	8,387	7,556	7,179
	23,071	22,510	21,652	21,302

11. Share capital

	2021	2020
	$'000	$'000
Share capital issued and fully paid:		
1,211,243,827 stock units of no par value	605,622	605,622

At March 31, 2021, the authorised share capital comprised 1,216,000,000 ordinary stock units (2020: 1,216,000,000). All issued stock units are fully paid. The holders of ordinary stock units are entitled to receive dividends as declared from time to time and are entitled to one vote per stock unit at meetings of the company.

12. Reserves

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Capital				
Realised:				
Share premium (i)	4,353	4,353	4,353	4,353
Gain on sale of loan (ii)	1,334	1,334	1,334	1,334
	5,687	5,687	5,687	5,687
Unrealised:				
Revaluation of land and buildings	422,256	422,413	422,413	422,413
Loss on the disposal of subsidiaries	-	(157)	-	-
	422,256	422,256	422,413	422,413
Total capital reserves	**427,943**	**427,943**	**428,100**	**428,100**
Reserve for own shares (iii)	(34,873)	(34,873)	-	-
Fair value reserve (ii)	42,259	4,003	42,259	4,003
Revenue				
Retained profits	469,283	435,244	157,937	113,618
	904,612	832,317	628,296	545,721

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Notes to the Financial Statements (Continued)
March 31, 2021

12. Reserves (continued)

(i) Share premium is retained in accordance with the provisions of Section 39(7) of the Jamaican Companies Act.

(ii) Fair value reserve represents unrealised gains arising on changes in fair value of debt and equity investment securities measured at FVOCI. Realised gains on sale of loans were also transferred to realised capital reserves in prior years.

(iii) Reserve for own shares is included in the financial statements by consolidation of The Gleaner Company Limited Employee Investment Trust (GCLEIT) as it is regarded as a special purpose entity and is required to be consolidated under IFRS 10. The reserve comprises the cost of the company's stock units held by the group through the GCLEIT. At March 31, 2021, GCLEIT held 34,873,148 (2020: 34,873,148) of the company's stock units (note 19) at a market value of $39,057,926 (2020: $32,432,028).

13. Deferred taxation

Deferred taxation is attributable to the following:

	Group and Company	
	2021	2020
	$'000	$'000
Investments	598	602
Unrealised foreign exchange gain	(1,900)	(3,417)
Property, plant and equipment	161	(114)
Other receivables	(1,212)	(1,316)
Net liability	(2,353)	(4,245)

Movement in net temporary differences during the year are as follows:

	Group and Company		
	2021		
	Balance at April 1, 2020	Recognised in profit or loss [note 18(a)(ii)]	Balance at March 31, 2021
	$'000	$'000	$'000
Investments	602	(4)	598
Unrealised foreign exchange gain	(3,417)	1,517	(1,900)
Property, plant and equipment	(114)	275	161
Other receivables	(1,316)	104	(1,212)
	(4,245)	1,892	(2,353)

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Notes to the Financial Statements (Continued)
March 31, 2021

13. Deferred taxation (continued)

Deferred taxation is attributable to the following (continued):

Movement in net temporary differences during the year are as follows (continued):

	Group and Company		
	2020		
	Balance at April 1, 2019	Recognised in profit or loss [note 18(a)(ii)]	Balance at March 31, 2020
	$'000	$'000	$'000
Investments	1,605	(1,003)	602
Unrealised foreign exchange gain	3,620	(7,037)	(3,417)
Property, plant and equipment	(1,092)	978	(114)
Pension fund receivable	(20,448)	20,448	-
Other receivables	(1,180)	(136)	(1,316)
	(17,495)	13,250	(4,245)

14. Accounts payable

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Due to related parties	9,031	16,042	9,031	16,042
Unclaimed dividends	25,691	24,951	25,691	24,951
Other payables	4,447	14,921	6,361	16,836
	39,169	55,914	41,083	57,829

15. Note payable

	Group and Company	
	2021	2020
	$'000	$'000
UBS - Lombard short term loan (i)	108,660	-

(i) On March 23, 2021, a loan was obtained from UBS in the amount of US$750,000. The proceeds were used to finance the acquisition of bonds and bond funds purchased during March 2021. The loan attracts an interest rate of 1.13% and is repayable on March 23, 2022. Investments with value of $273,081,660 are held as collateral security.

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Notes to the Financial Statements (Continued)
March 31, 2021

16. Revenue

(a) Operating income:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Interest income, calculated using the effective interest method	16,529	18,908	16,529	18,908
Rental income	2,202	4,413	2,202	4,413
Dividend income	2,360	1,754	26,773	1,754
	21,091	25,075*	45,504	25,075*

(b) Other gains:

	Group and Company	
	2021	**2020**
	$'000	**$'000**
Fair value gain on units in unit trust	2,588	369
Gain on disposal of pension units	-	19,466
Gain on disposal of assets held for sale	-	5,999
Realised gain on investments	34,101	-
Unrealised foreign exchange gain	14,171	16,718
Miscellaneous income	2,672	5,149
	53,532	47,701*

* During the year, dividend income of $2,360,000 (2020: $1,754,000) for the group and $26,773,000 (2020: $1,754,000) for the company was reclassified from other gains to operating income.

17. Administration and other operating expenses

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Directors' emoluments:				
Fees	1,033	1,281	1,033	1,281
Management remuneration	7,500	4,064	7,500	4,064
Auditors' remuneration	4,950	4,500	4,950	4,500
Shared services	3,768	3,768	3,768	3,768
Depreciation	1,355	3,961	1,355	3,961
Insurance	2,233	2,427	2,233	2,427
Professional, legal, accounting and support fees	21,877	25,232	21,877	25,232
Utilities and telephone	652	1,229	652	1,229
Office expenses	87	271	87	271
Building maintenance	88	805	88	805
Registrar services	3,685	3,586	3,685	3,586
Jamaica Stock Exchange (JSE) fees	1,622	2,569	1,622	2,569
Bad debt	1,655	-	1,655	-
Impairment (gains)/losses	(1,204)	5,097	(1,204)	5,097
Loss on disposal of bonds	11,126	2,852	11,126	2,852
Irrecoverable G.C.T.	2,362	3,770	2,362	3,770
Other expenses and provisions, net of write-backs	(2,344)	22,881	(2,344)	18,626
	60,445	88,293	60,445	84,038

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Notes to the Financial Statements (Continued)
March 31, 2021

18. Taxation

(a) Taxation is based on the profit for the year as adjusted for tax purposes and is made up as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
(i) Current tax expense:				
Income tax at 25%	848	19,803	848	19,803
Income tax in associate (see note 6)	5,406	7,399	-	-
Prior year under/(over) provision	1,324	(3,020)	1,324	(3,020)
	7,578	24,182	2,172	16,783
(ii) Deferred tax credit:				
Origination and reversal of timing differences (note 13)	(1,892)	(13,250)	(1,892)	(13,250)
Total taxation charge recognised	5,686	10,932	280	3,533

(b) The tax effect of differences between treatment of items for financial statements and taxation purposes are as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Profit before taxation	86,768	51,522	93,049	5,541
Income tax at 25%	21,692	12,881	23,262	1,385
Difference between depreciation and tax capital allowances	5,503	658	(630)	774
Disallowed expenses and other capital adjustments, net	(22,833)	413	(23,676)	4,394
Actual tax charge/(credit)	4,362	13,952	(1,044)	6,553
Prior year under/(over) provision	1,324	(3,020)	1,324	(3,020)
Tax charge	5,686	10,932	280	3,533

Uncertainty over income tax treatments:

(c) As at March 31, 2020, management had made a general provision of $13.77 million in respect of assessments received from Tax Administration of Jamaica (TAJ), which were the subject of objections filed by the company. During the year, the company filed an Appeal with the Revenue Appeals Division (RAD), which was successful. The RAD confirmed the decision to discharge the assessments against the company on November 9, 2020, and the general provision was reversed as at March 31, 2021.

19. Earnings per stock unit

The calculation of earnings per stock unit is arrived at by dividing profit after taxation attributable to stockholders of the company of $81,082,000 (2020: $40,590,000) by 1,211,243,827, being the number of stock units in issue at March 31, 2021 (2020: 1,211,243,827) as well as by 1,176,370,679 (2020: 1,176,370,679), being stock units in issue less those held by the GCLEIT [see note 12(iii)].

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Notes to the Financial Statements (Continued)
March 31, 2021

20. Dividends paid (gross)

An interim ordinary dividend of 4 cents (2020: interim capital distribution of 8 cents) per stock unit was paid on December 11, 2020 (2020: October 4, 2019), to stockholders on record at close of business on November 24, 2020 (2019: September 13, 2019).

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Distributions:				
First interim declared and paid in respect of 2021: 4¢ (2020: 8¢) per stock unit - gross	48,450	96,900	48,450	96,900
Allocated to GCLEIT	(1,407)	(2,758)	-	-
	47,043	94,142	48,450	96,900

21. Financial risk management

The group has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk.

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The Audit Committee oversees how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The Audit Committee undertakes both regular and ad hoc reviews of risk management controls and procedures.

(a) Credit risk:

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables, investments, securities purchased under resale agreements and cash and cash equivalents.

(i) Maximum exposure to credit risk

The maximum credit exposure, that is, the total amount of loss the company would suffer if every counterparty to the group's financial assets were to default at once, is represented by the carrying amount of financial assets.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued):

(ii) Management of credit risk

The group manages the credit risk on items exposed to such risk as follows:

- Cash and cash equivalents:

  These are held with reputable regulated financial institutions; collateral is not required for such accounts as management regards the institutions as strong and financially sound. The financial institutions have a credit rating of A or above.

- Securities purchased under resale agreements:

  Agreements are made only with reputable, regulated counterparties management regards as strong and financially sound.

  Collateral is held for all resale agreements in amounts that cover the principal advanced and interest expected to be earned over the term of the agreement.

- Investment securities, loans and other receivables:

  The maximum credit exposure, the total amount of loss the group would suffer if every counterparty to the group's financial assets were to default at once, is represented by the carrying amount of financial assets exposed to credit risk. Exposure to credit risk is managed by regular analysis of the ability of counterparties to meet repayment obligations.

  The Covid-19 pandemic has caused significant market volatility which has increased the group's credit risk. The downgrading of credit ratings and/or outlooks for investment securities held has resulted in an increase in the credit risk of some debt instruments, loan and other receivables.

(iii) Concentration of credit risk

There is no significant concentration of credit risk.

(iv) Collateral

The fair value of collateral held for financial assets exposed to credit risk is set out in note 9.

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Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued)

(v) Credit quality analysis

Investments and long-term receivables

Credit risk is the single largest risk for the group's business. Credit risk management and control is delegated to the Audit Committee. The Committee is responsible for oversight of credit risk, including formulating credit policies, establishing the authorisation structure for the approval of credit facilities, reviewing and assessing credit risk, and limiting concentration of exposure to counterparties.

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The group measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.

Maximum exposure to credit risk and credit quality analysis

The following table sets out information about the maximum exposure to credit risk and the credit quality of financial assets measured at amortised cost and FVOCI debt instruments. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

- Debt securities and other financial assets:

	Group and Company	
	2021 **$'000**	**2020** **$'000**
Amortised cost:		
Non-investment grade	304,117	270,521
Loss allowance	(1,222)	(1,240)
	302,895	269,281
Fair value through OCI:		
Investment grade	181,038	101,815
Non-investment grade	44,606	43,762
	225,644	145,577
Fair value through profit or loss:		
Investment grade	108,228	-

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued):

(v) Credit quality analysis (continued)

Maximum exposure to credit risk and credit quality analysis (continued)

- Long term receivable at amortised cost:

	Group and Company	
	2021	2020
	Stage 1	Stage 1
	$'000	$'000
Performing	17,567	19,369
Loss allowance	(680)	(711)
Carrying amount	16,887	18,658

The key judgements and assumptions adopted by the group in addressing the requirements of IFRS 9 are discussed below. Also see note 2(d):

Credit risk grades

The group uses external credit ratings provided by rating agencies to assess the probability of default of individual counterparties.

For debt securities, external rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.

The group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade.' The group does not apply the low credit risk exemption to any other financial instruments.

Determining whether credit risk has been increased significantly

The group uses three criteria for determining whether there has been a significant increase in credit risk:

- quantitative test based on the credit rating of an investment where investments that are transitioned from investment grade to non-investment grade;
- qualitative indicators; and
- a backstop of 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued):

(v) Credit quality analysis (continued)

Determining whether credit risk has been increased significantly (continued)

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the group determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a financial asset have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

Definition of default (Stage 3):

In assessing whether a borrower is in default, the company uses the following indicators:

- Bankruptcies and liquidations: Failure to pay interest/principal on an interest-bearing bond or loan, miss payment (principle, interest, or both), past the grace period.

- Distressed restructuring: difference between the net present values of cash flows before and after restructuring arrangements exceeds a certain threshold the exposure should be classified as defaulted.

- Government bail-out: For banks and financial institutions.

(vi) Expected credit loss measurement

Incorporation of forward-looking information

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the “base economic scenario”) are provided by the group’s Finance team on an annual basis and provide the best and worst estimate view of the economy.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued)

(vi) Expected credit loss measurement (continued)

Incorporation of forward-looking information (continued)

The impact of these economic variables on the PD, EAD and LGD has been determined by performing a trend analysis and compared historical information with forecast macro-economic data to determine whether the indicator describes a positive, negative or stable trend and to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

In addition to the base economic scenario, the group considers other possible scenarios and scenario weightings. At April 1, 2020, and March 31, 2021, the group concluded that three scenarios appropriately captured non-linearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

Each scenario considers the expected impact of interest rates, unemployment rates and gross domestic product (GDP). Appropriate consideration to the impact of the Covid-19 pandemic was accorded.

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on a quarterly basis.

Measurement of expected credit losses (ECL)

Historical recovery rate data was compared to a variety of factors in order to determine correlations between these factors and the amount recovered (as defined above). These correlations were then used to determine the coefficients in a non-linear factor model which is used for projecting recovery rates and losses prospectively. The output from this model can be used either on a stand-alone basis to estimate recovery by specific liability class upon default, or as inputs to a more comprehensive portfolio credit risk management system.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued)

(vi) Expected credit loss measurement (continued)

Measurement of expected credit losses (ECL) (continued)

EAD represents the expected exposure in the event of a default. In preparing the full lifetime ECL calculation, the EAD is calculated at annual intervals from the reporting date out to maturity. The reporting date, transaction date and transaction price are used to calculate the accounting exposure at default. If not provided, an accounting effective interest rate is calculated using the transaction date and price (see section below for more) and is applied to the future cash flows of the particular instrument to discount these cash flows. This is done on an annual basis from reporting date out until maturity.

Loss allowance

The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc. - are monitored and reviewed on a quarterly basis.

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

- Long-term loan receivable and resale agreements:

	Group and Company
	2021
	Stage 1
	$'000
Balance at March 31, 2020	1,951
Net re-measurement of loss allowance	(48)
Balance at March 31, 2021	1,903

- Other receivables:

	Group and Company
	2021
	Stage 1
	$'000
Balance at March 31, 2020	2,548
Net re-measurement of loss allowance	29
Balance at March 31, 2021	2,577

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(a) Credit risk (continued)

(vi) Expected credit loss measurement (continued)

Measurement of expected credit losses (ECL) (continued)

- Debt securities at FVOCI:

	Group and Company 2021 Stage 1 $'000
Balance at March 31, 2020	1,887
Net re-measurement of loss allowance	(1,185)
Balance at March 31, 2021	702

(b) Liquidity risk:

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Typically, the group ensures that it has sufficient cash on demand and marketable securities to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The group's financial liabilities comprise accounts payable and note payable that are repayable within one year at the carrying amount reflected on the statement of financial position.

There were no changes to the group's approach to liquidity risk management during the year.

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the group's and company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. There has been no change to the group's exposure to market risk or the manner in which it measures and manages this risk.

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Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(c) Market risk (continued):

(i) Foreign currency risk:

Foreign currency risk is that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations. The company is exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaica dollar. The main currencies giving rise to this risk are the United States dollar (US$) and Canadian dollars ($). The company manages this risk by matching foreign currency assets with foreign currency liabilities, to the extent practicable, except where it undertakes a gapping strategy in pursuit of exchange rate gains. The net foreign currency exposure is kept to the targeted levels by buying or selling currencies at spot rates when necessary to address imbalances.

The group's and the company's exposure to foreign currency risk are materially denominated in United States dollars (US$) and are as follows:

	Group and Company	
	2021 US$ ('000)	2020 US$ ('000)
Investments	2,811	1,964
Cash and cash equivalents	155	300
Securities purchased under resale agreements	2,091	2,019
Long term and other receivables	213	180
Note payable	(750)	-
Net foreign currency denominated assets	4,520	4,463

Sensitivity analysis

A strengthening/weakening of the Jamaica dollar against the United States dollar at March 31, 2021, would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2020.

Group and Company 2021				
		Increase		Decrease
Currency	% weakening	Effect on profit or loss $'000	% strengthening	Effect on profit or loss $'000
US$	6	39,287	2	(13,096)

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(c) Market risk (continued):

(i) Foreign currency risk (continued):

Sensitivity analysis (continued)

Group and Company				
2020				
		Increase		Decrease
Currency	% weakening	Effect on profit or loss $'000	% strengthening	Effect on profit or loss $'000
US$	6	35,867	2	(11,956)

(ii) Interest rate risk:

Interest rate risk is the risk that the value or cash flows of a financial instrument will fluctuate due to changes in market interest rates. The group manages this risk by monitoring interest rates daily. Even though there are no formally predetermined gap limits, where possible and to the extent judged appropriate, the maturity profile of its financial assets is matched by that of its financial liabilities; where gaps are deliberately arranged, management expects that its monitoring will, on a timely basis, identify the need to take appropriate action to close a gap if it becomes necessary.

Floating rate instruments expose the company to cash flow interest risk, whereas fixed interest rate instruments expose the company to fair value interest risk.

The company's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-earning financial assets and interest-bearing financial liabilities. The Board sets limits on the level of mismatch of interest rate repricing that may be undertaken, which is monitored by management and the Audit Committee.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(c) Market risk (continued):

(ii) Interest rate risk (continued):

The table below summarises the group's exposure to interest rate risk. Included in the tables are the carrying amounts of the group's financial instruments, categorised by the earlier of contractual repricing and maturity dates.

	Group 2021					
	31-90 days $'000	91-365 days $'000	366 days to 5 years $'000	Over 5 years $'000	Non interest bearing $'000	Total $'000
Assets						
Cash and cash equivalents	-	-	-	-	34,272	34,272
Securities purchased under resale agreements	20,213	282,682	-	-	-	302,895
Investments	55,909	-	-	92,091	287,194	435,194
Other receivables	-	-	-	-	28,945	28,945
Long-term receivable	-	-	16,887	-	-	16,887
Total financial assets	76,122	282,682	16,887	92,091	350,411	818,193
Liabilities						
Accounts payable	-	-	-	-	39,169	39,169
Note payable	-	108,660	-	-	-	108,660
Total financial liabilities	-	108,660	-	-	39,169	147,829
Interest rate sensitivity gap	76,122	174,022	16,887	92,091	311,242	670,364
Cumulative interest sensitivity gap	76,122	250,144	267,031	359,122	670,364	-

	Group 2020					
	31-90 days $'000	91-365 days $'000	366 days to 5 years $'000	Over 5 years $'000	Non interest bearing $'000	Total $'000
Assets						
Cash and cash equivalents	-	-	-	-	110,576	110,576
Securities purchased under resale agreements	202,305	66,976	-	-	-	269,281
Investments	-	-	138,469	-	140,685	279,154
Other receivables	-	-	-	-	24,650	24,650
Long-term receivable	-	-	18,658	-	-	18,658
Total financial assets	202,305	66,976	157,127	-	275,911	702,319
Liabilities						
Accounts payable	-	-	-	-	55,914	55,914
Total financial liabilities	-	-	-	-	55,914	55,914
Interest rate sensitivity gap	202,305	66,976	157,127	-	219,997	646,405
Cumulative interest sensitivity gap	202,305	269,281	426,408	426,408	646,405	-

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(c) Market risk (continued):

(ii) Interest rate risk (continued):

	Company 2021					
	31-90 days $'000	91-365 days $'000	366 days to 5 years $'000	Over 5 years $'000	Non interest bearing $'000	Total $'000
Assets						
Cash and cash equivalents	-	-	-	-	25,794	25,794
Securities purchased under resale agreements	20,213	282,682	-	-	-	302,895
Investments	55,909	-	-	92,091	287,194	435,194
Other receivables	-	-	-	-	41,834	41,834
Long-term receivable	-	-	16,887	-	-	16,887
Total financial assets	76,122	282,682	16,887	92,091	354,822	822,604
Liabilities						
Accounts payable	-	-	-	-	41,083	41,083
Note payable	-	108,660	-	-	-	108,660
Total financial liabilities	-	108,660	-	-	41,083	149,743
Interest rate sensitivity gap	76,122	174,022	16,887	92,091	313,739	672,861
Cumulative interest sensitivity gap	76,122	250,144	267,031	359,122	672,861	-

	Company 2020					
	31-90 days $'000	91-365 days $'000	366 days to 5 years $'000	Over 5 years $'000	Non interest bearing $'000	Total $'000
Assets						
Cash and cash equivalents	-	-	-	-	104,183	104,183
Securities purchased under resale agreements	202,305	66,976	-	-	-	269,281
Investments	-	-	138,469	-	140,685	279,154
Other receivables	-	-	-	-	37,750	37,750
Long-term receivable	-	-	18,658	-	-	18,658
Total financial assets	202,305	66,976	157,127	-	282,618	709,026
Liabilities						
Accounts payable	-	-	-	-	57,829	57,829
Total financial liabilities	-	-	-	-	57,829	57,829
Interest rate sensitivity gap	202,305	66,976	157,127	-	224,789	651,197
Cumulative interest sensitivity gap	202,305	269,281	426,408	426,408	651,197	-

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(c) Market risk (continued):

(ii) Interest rate risk (continued):

The table below summarises the weighted average interest rate by major currencies for interest-bearing financial instruments of the group at the reporting date:

	Group and Company	
	2021	**2020**
	US$	**US$**
	%	%
Assets		
Securities purchased under resale agreements	3.00	2.57
Investments	4.74	7.98
Long-term loan receivable	4.00	4.00

The group minimises interest rate risk by investing mainly in fixed rate securities and contracting liabilities at fixed rates, where possible. There are no variable rate instruments.

Profile

At the reporting date, the interest rate profile of the group's interest-bearing financial instruments was:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Fixed rate instruments				
Financial assets	440,383	406,130	440,383	406,130
Financial liabilities	108,660	-	108,660	-

Fair value sensitivity analysis for fixed rate instruments

The group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

An increase of 100 or decrease of 100 (2020: An increase of 100 or decrease of 100) basis points in interest rates at the reporting date would have increased/decreased equity by $4,403,000 for the group and company (2020: increased/decreased equity by $4,061,000 for the group and company). This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2020.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(c) Market risk (continued):

(ii) Interest rate risk (continued):

Equity price risk

The Board monitors the mix of debt and equity securities in its investment portfolio based on market expectations. This risk is managed by the monitoring of the market value of the securities on the Jamaica Stock Exchange (JSE) and other foreign stock exchanges and the respective companies' quarterly financial performance.

Sensitivity analysis – equity price risk

Most of the group's equity investments are listed on foreign market stock exchanges. A 5% or (5%) [2020: 5% or (10%)] increase or decline in the relevant indexes at the reporting date would have an increase of $4,145,000 or a decrease of $4,145,000 for the group and company [2020: $5,379,000 or a decrease of $2,689,000 for the group and company].

(d) Fair values:

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 and is best evidenced by a quoted market price, if one exists.

The fair value of financial instruments is based on their quoted market price at the reporting date without any deduction for transaction costs. Where a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flows or a generally accepted alternative method.

FVOCI financial assets include corporate bonds, quoted equities and unquoted equities.

The fair values of current financial assets and liabilities are assumed to approximate to their carrying amounts shown in the statement of financial position due to their short-term nature and no loss on realisation or discount on settlement is anticipated.

Basis for determining fair values

Quoted equities are valued using the quoted market bid prices listed on the Jamaica Stock Exchange and other foreign stock exchanges at the reporting date.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(d) Fair values (continued):

Basis for determining fair values (continued)

Other investments are valued using the market-based approach and are classified as level 2 on the fair value hierarchy.

Cash and cash equivalents, securities purchased under resale agreements, trade and other receivable, note payable and accounts payables are assessed to approximate their carrying values due to their relatively short-term nature and are classified as level 2 in the fair value hierarchy.

Long-term receivables are carried at amortised cost.

No items were reclassified from one level to another.

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Group and Company 2021						
	Carrying amounts				Fair values		
	Amortised cost $'000	FVOCI $'000	FVTPL $'000	Total $'000	Level 1 $'000	Level 2 $'000	Total $'000
Financial assets measured at fair value:							
Investments	-	333,872	90,020	423,892	82,897	340,995	423,892
Financial assets measured not at fair value:							
Investments	11,302	-	-	11,302	-	11,302	11,302
Securities purchased under resale agreement	302,895	-	-	302,895	-	304,117	304,117
	314,197	-	-	314,197	-	315,419	315,419

	Group and Company 2020						
	Carrying amounts				Fair values		
	Amortised cost $'000	FVOCI $'000	FVTPL $'000	Total $'000	Level 1 $'000	Level 2 $'000	Total $'000
Financial assets measured at fair value:							
Investments	-	145,577	80,842	226,419	53,793	172,626	226,419
Financial assets measured not at fair value:							
Investments	52,735	-	-	52,735	-	52,735	52,735
Securities purchased under resale agreement	269,281	-	-	269,281	-	270,521	270,521
	322,016	-	-	322,016	-	323,256	323,256

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

21. Financial risk management (continued)

(e) Capital management:

The group's objective is to maintain a strong capital base so as to safeguard the group's ability to continue as a going concern, so that it can continue to provide returns for stockholders and benefits for other stakeholders.

The Board of Directors monitors the return on capital which the group defines as share capital, capital reserves, fair value reserves and retained profits. The group may adjust or maintain the capital structure by adjusting the amount of dividends paid to stockholders.

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

22. Disposal of subsidiaries

In the prior year, the company petitioned to strike off Selectco Publications Limited from the company register.

The effect of the strike off is as follows:

	Group 2020 $'000
Trade receivables	110
Taxation recoverable	2,457
Cash and cash equivalent	32
Trade payables	(703)
Net assets liquidated	1,896
Currency translation differences realised on liquidation	-
Loss on liquidations and strike-offs of subsidiaries	1,896

	Company 2020 $'000
Interest in subsidiaries	-
Distribution including write off of related party balances	5,604
Loss on liquidations and strike-offs of subsidiaries	5,604

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

23. Related parties

(a) Identity of related parties:

The group has a related party relationship with its associate and special purpose entity (see note 1) and with its directors and executive officers in the ordinary course of business.

(b) Transactions with key management personnel:

In addition to salaries, the group provides non-cash benefits to executive officers.

The key management personnel compensation is as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Short-term benefits	16,033	12,501	16,033	12,501

The amounts disclosed in the table above are the amounts recognised as an expense during the reporting period related to key management personnel. There were no other transactions with key management personnel.

(c) The statement of financial position includes balances from arm's length transactions arising in the ordinary course of business, with the associated company and other related entities as follows:

	Company	
	2021	**2020**
	$'000	**$'000**
Accounts payable:		
Associated company	-	3,570
Other related entities	9,031	12,472
Accounts receivable:		
Other related entities	14,308	14,308
Dividend paid:		
Other related entities	1,407	2,758

(d) The income statement includes arm's length transactions arising in the ordinary course of business with other related entities as follows:

	Company	
	2021	**2020**
	$'000	**$'000**
Dividend income:		
Associated company	25,312	-
Shared services fee:		
Other related entities	(3,768)	(3,768)

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

24. Operating leases - lessor

Pursuant to the March 24, 2016 scheme of arrangement between Radio Jamaica Limited (collectively "RJR Gleaner") and 1834 Investments Limited, the building at 7 North Street and parking lots at East Street and John's Lane, being investment properties, were leased to RJR Gleaner for fifteen years.

(a) Future minimum lease payments:

	Company	
	2021	**2020**
	$	**$**
Less than one year	100,000	100,000
Between one and five years	500,000	500,000
More than five years	500,000	600,000

(b) All property rental and maintenance expenses are borne by the lessee.

25. Significant accounting policies

The group has consistently applied the accounting policies as set out below to all periods presented in these financial statements.

(a) Basis of consolidation:

(i) Business combinations:

Business combinations are accounted for using the acquisition method as at the acquisition date, which is at the date on which control is transferred to the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquired entity; plus
- if the business combination is achieved in stages, the fair value of the pre-existing interest in the acquired entity; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(a) Basis of consolidation (continued):

(ii) Business combinations (continued):

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss. Any contingent consideration payable is measured at fair value at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the group incurs in connection with a business combination are expensed as incurred.

(iii) Subsidiaries:

Subsidiaries are entities controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

These consolidated financial statements comprise the financial results of the company and its associates (note 6).

(iv) Loss of control:

On the loss of control, the group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

(v) Associate:

The group's interest in equity-accounted investees comprise interest in associate.

An associate is an entity in which the group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20% and 50% of the voting power of the entity.

Interest in associate is accounted for using the equity method. It is initially recognised at cost. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss of the associate, until the date on which significant influence or joint control ceases.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(a) Basis of consolidation (continued):

(vi) Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transaction, are eliminated. Unrealised gains arising from transaction with equity-accounted investee are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. The group applies book value (carry-over basis) accounting for business combinations for entities under common control in the consolidated financial statements on the basis that the investment has been moved from one part of the group to another.

(b) Property, plant and equipment:

(i) Owned assets:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

The cost of self-constructed assets includes the cost of materials and direct labour, plus related borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied with the part will flow to the group and its costs can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(ii) Leased assets:

Leases, under the terms of which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leasing arrangements are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and any impairment losses.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(b) Property, plant and equipment (continued):

(iii) Depreciation:

Property, plant and equipment are depreciated on the straight-line basis at annual rates estimated to write down the assets to their residual values over their expected useful lives. The depreciation rates are as follows:

Machinery & equipment	-	10%, 12½%, 20% and 25%
Computer equipment	-	25%

The depreciation methods, useful lives and residual values are reassessed at each reporting date.

(c) Financial instruments:

(a) Financial instruments – Classification, recognition, derecognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements:

- Financial assets comprise cash and cash equivalents, securities purchased under resale agreements, investments and other receivables.
- Financial liabilities comprise accounts payable and note payable.

Financial instruments are classified, recognised and measured in accordance with the substance of the terms of the contracts as set out herein.

(i) Recognition and initial measurement

The group recognises a financial instrument when it becomes a party to the contractual terms of the instrument. The group initially recognises other receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

At initial recognition, the group measures a financial asset or financial liability at its fair value, plus or minus; the case of a financial asset or financial liability not at fair value through profit or loss transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(i) Recognition and initial measurement

When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

(ii) Classification and subsequent remeasurement

The group has applied IFRS 9 and classified its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Financial assets

The classification requirements for debt and equity instruments are described below:

(a) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds.

Classification and subsequent measurement of debt instruments depends on:

- the group's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the group classifies its debt instruments into one of the following three measurement categories:

- *Amortised cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described at (vi). Interest income from these financial assets is included in 'Interest and similar income' using the effective interest method.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(ii) Classification and subsequent remeasurement (continued)

Financial assets (continued)

The classification requirements for debt and equity instruments are described below (continued):

(a) Debt instruments (continued)

- *Fair value through other comprehensive income (FVOCI):* Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL are measured at fair value through other comprehensive income (FVOCI).

- *Fair value through profit or loss:* Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within operating income' in the period in which it arises. Interest income from these financial assets is included in 'operating income' using the effective interest method.

Business model: the business model reflects how the group manages the assets in order to generate cash flows. That is, whether the group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

Factors considered by the group in determining the business model for a group of assets include:

1. Past experience on how the cash flows for these assets were collected;
2. How the asset's performance is evaluated and reported to key management personnel;
3. How risks are assessed and managed; and
4. How managers are compensated.

For example, securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(ii) Classification and subsequent remeasurement (continued)

Financial assets (continued)

(a) Debt instruments (continued)

Solely payments of principal and interest (SPPI): Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

(b) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The group subsequently measures all equity investments at fair value through profit or loss, except where the group's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income.

(iii) Derecognition

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(iii) Derecognition (continued)

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income (OCI) is recognised in profit or loss.

Any cumulative gains or losses recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the group is recognised as a separate asset or liability.

The group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(iv) Financial instruments - other

(1) Cash and cash equivalents:

Cash and cash equivalents, which comprise cash and bank balances and include short-term deposits, with maturities ranging between one and three months of acquisition date, are measured at amortised cost. For the purpose of the statement of cash flows, bank overdraft is included as a component of cash and cash equivalents.

(2) Securities purchased under resale agreements:

Securities purchased under resale agreements ("reverse repurchase or resale agreements") are accounted for as short-term collateralised lending and are classified as amortised cost.

On initial recognition they are measured at amortised cost. The difference between the purchase cost and the resale consideration is recognised in profit or loss as interest income over the life of the contract using the effective interest method.

(3) Other receivables:

These are measured at amortised cost, less impairment losses.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(iv) Financial instruments – other (continued)

(4) Accounts payable and provisions:

Accounts payable, including provisions, are measured at amortised cost. A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(v) Impairment:

The group recognises loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments; and
- lease receivables.

The group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The group considers a debt investment to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(v) Impairment (continued):

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive); and
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the group assesses whether financial assets carried at amortised costs are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the group on terms that the company would not consider otherwise;

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(v) Impairment (continued):

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered credit-impaired.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of the debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss is recognised in profit or loss as a reclassification from OCI.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(c) Financial instruments (continued):

(v) Impairment (continued):

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

This is generally the case when the group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

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

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

An impairment loss is reversed, if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss.

(d) Taxation:

(i) Income tax:

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

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

(ii) Deferred tax:

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, differences relating to investments in subsidiaries, to the extent that it is probable that they will not reverse in the foreseeable future and investment property held inside a realisation-from-sale business model.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(d) Taxation (continued):

(ii) Deferred tax (continued):

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted as at the reporting date. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A specific measurement requirement applies to a deferred tax asset or liability that arises from investment property measured at fair value. This requirement establishes a rebuttable presumption that the carrying amount of investment property measured at fair value will be recovered through sale. Therefore, unless the presumption is rebutted, the measurement of a deferred tax asset or liability pertaining to the investment property reflects the tax consequences of recovering the carrying amount of the investment property entirely through sale.

The presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, then the normal requirements of measuring deferred tax assets or liabilities are applicable.

(e) Revenue recognition:

Revenue is income that arises in the course of the ordinary activities of the group. Accordingly, revenue comprises interest income, rental income, dividend income and other investment returns.

(i) Interest income

Interest income is recognised in profit or loss for using the effective interest method. The “effective interest rate” is the rate that exactly discounts the estimated future receipts through the expected life of the financial instruments to its gross carrying amount.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(e) Revenue recognition (continued):

(i) Interest income (continued):

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

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition of a financial asset.

The 'amortised cost' of a financial asset is the amount at which the financial asset is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

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

Interest income calculated using the effective interest method presented in the statement of profit or loss and OCI, includes interest on financial assets measured at amortised cost.

(ii) Rental income is recognised as the related services are consumed.

(iii) Dividend income is recognised on the date the group's right to receive payment is established.

(f) Foreign currencies:

Foreign currency balances outstanding at the reporting date are translated at the rates of exchange ruling on that date [US$1 = J$144.88 (2020: J$133.96)]. Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions.

Gains and losses arising from fluctuations in exchange rates are included in profit or loss. For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in profit or loss are treated as cash items and included in cash flows from operating or financing activities along with movements in the principal balances.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(g) Impairment of non-financial assets:

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised, if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value, less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(h) Investment properties:

Investment properties, comprising principally land and buildings, are held for long-term rental yields and capital appreciation and are treated as long-term investments. They are measured initially at cost, including related transaction costs and are subsequently measured at fair value. Any gain or loss arising from a change in fair value is recognised in profit or loss.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Fair value is determined annually by an independent registered valuer.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to income during the financial period in which they are incurred.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(i) New and amended standards and interpretations not yet effective:

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the group's financial statements are disclosed below, if they are expected to have an impact on the group's financial statements. The group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

(i) Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after 1 January 2023. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

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

With the amendments, convertible instruments may become current. In light of this, the amendments clarify how an entity classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32. Generally, if a liability has any conversion options that involve a transfer of the entity's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that an entity can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

The group does not expect the amendments to have a significant impact on its 2024 financial statements.

(ii) Reference to the Conceptual Framework – *Amendments to IFRS 3*

In May 2020, the IASB issued Amendments to IFRS 3 *Business Combinations - Reference to the Conceptual Framework*. The amendments are intended to replace a reference to the *Framework for the Preparation and Presentation of Financial Statements*, issued in 1989, with a reference to the *Conceptual Framework for Financial Reporting* issued in March 2018 without significantly changing its requirements.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(i) New and amended standards and interpretations not yet effective (continued):

(ii) (Continued)

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 *Levies*, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

The group does not expect the amendments to have a significant impact on its 2022 financial statements.

(iii) Amendments to IAS 37 *Provision, Contingent Liabilities and Contingent Assets* is effective for annual periods beginning on or after 1 January 2022 and for the purpose of assessing whether a contract is onerous, clarifies those costs that comprise the costs of fulfilling the contract.

The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.

This clarification will require entities that apply the 'incremental cost' approach to recognise bigger and potentially more provisions. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated.

The group does not expect the amendments to have a significant impact on its financial statements.

(iv) IFRS 9 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

25. Significant accounting policies (continued)

(i) New and amended standards and interpretations not yet effective (continued):

(iv) (Continued)

These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022, with earlier adoption permitted. The group must apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The group does not expect the amendments to have a significant impact on its 2022 financial statements.

(v) *Onerous Contracts – Costs of Fulfilling a Contract* – Amendments to IAS 37 In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

The group does not expect the amendments to have a significant impact on its 2022 financial statements except possibly for additional disclosures.

26. Capital management

For the purpose of the group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the group's capital management is to ensure that it maintains a strong credit rating. No changes were made in the objectives, policies or processes during the years ended March 31, 2021 and March 31, 2020.

1834 INVESTMENTS LIMITED

Notes to the Financial Statements (Continued)
March 31, 2021

27. Events after the reporting period

The company performed a review of events subsequent to the balance sheet date, through the date the financial statements were issued, and determined that there were no events requiring recognition or disclosure in the financial statements.

DECLARATION OF NUMBER OF STOCK UNITS OWNED BY DIRECTORS, OFFICERS & CONNECTED PERSONS AS AT MARCH 31, 2021:

NAMES	PERSONAL SHAREHOLDINGS	SHAREHOLDINGS OF CONNECTED PARTIES
DIRECTORS		
Joseph M. Matalon - Chairman	23,572,020	70,056,104
Douglas R. Orane - Vice Chairman	823,381	230,172
Carol D. Archer	58,320	-
Lisa G. Johnston	3,732	21,296
Elizabeth A. Jones	-	-
Monica Ladd	-	434,557,600
Morin M. Seymour	50,000	-
John J. Issa - Honorary Chairman	-	23,374,832
SENIOR MANAGERS		
Terry A. Peyrefitte	1,834	-

LIST OF (10) LARGEST BLOCKS OF STOCK UNITS AS AT MARCH 31, 2021:

	SHAREHOLDER	SHARES	PERCENTAGE OWNERSHIP
1	Financial & Advisory Services Limited	369,239,880	30.48%
2	MF&G Asset Management Ltd. - Jamaica Investments Fund	89,520,000	7.39%
3	Kaytak Investments Limited	68,669,862	5.67%
4	Oliver F. Clarke (deceased)	65,317,720	5.39%
5	JN Bank Limited	46,425,529	3.83%
6	Gleaner Co Ltd Employees Investment Trust	35,177,342	2.90%
7	National Insurance Fund	32,883,010	2.71%
8	The Gleaner Company Ltd Pension Scheme	30,000,000	2.48%
9	Sagicor Pooled Equity Fund	25,000,000	2.06%
10	Jason Carl Carby	25,000,000	2.06%
	TOTAL	**787,233,343**	**64.99%**

1834 INVESTMENTS LIMITED
(FORMERLY THE GLEANER COMPANY LIMITED)
FORM OF PROXY

I/We...

of ……...

being a member/members of the above-named company, hereby appoint

....

of.………………………………………………...

or failing him/her then ....…........…..

of.…………………………………………………...

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on the **14th** day of **December, 2021 at 10:30 a.m.** at the registered office of the Company, 7 North Street, Kingston, and at any adjournment thereof.

I/We desire this form to be used for/against the resolutions as indicated below.

Signature(s)...………..................…................

Signed this .... day of 2021

RESOLUTIONS	FOR	AGAINST
RESOLUTION 1		
RESOLUTION 2		
RESOLUTION 3		
RESOLUTION 4		
RESOLUTION 5		
RESOLUTION 6		

(Please refer to Notice of Meeting for text of resolutions)

NOTES:

(1) A Proxy need not be a member of the Company.
(2) If the appointee is a Corporation this form must be under its Common Seal or under the hand of an officer of the Corporation duly authorised on its behalf.
(3) In the case of joint holders the vote of the senior shall be accepted to the exclusion of the votes of the joint holders. Seniority shall be determined by the order in which the names stand in the register of members.
(4) To be valid this form must be completed and deposited with the Secretary, 1834 Investments Limited, 7 North Street, Kingston at least 48 hours before the time appointed for the meeting or adjourned meeting.
(5) An adhesive stamp of $100.00 must be affixed to the form and cancelled.

NOTES:

1834 INVESTMENTS LIMITED
P.O. Box 40, 7 North Street
Kingston, Jamaica
(876) 922-1834