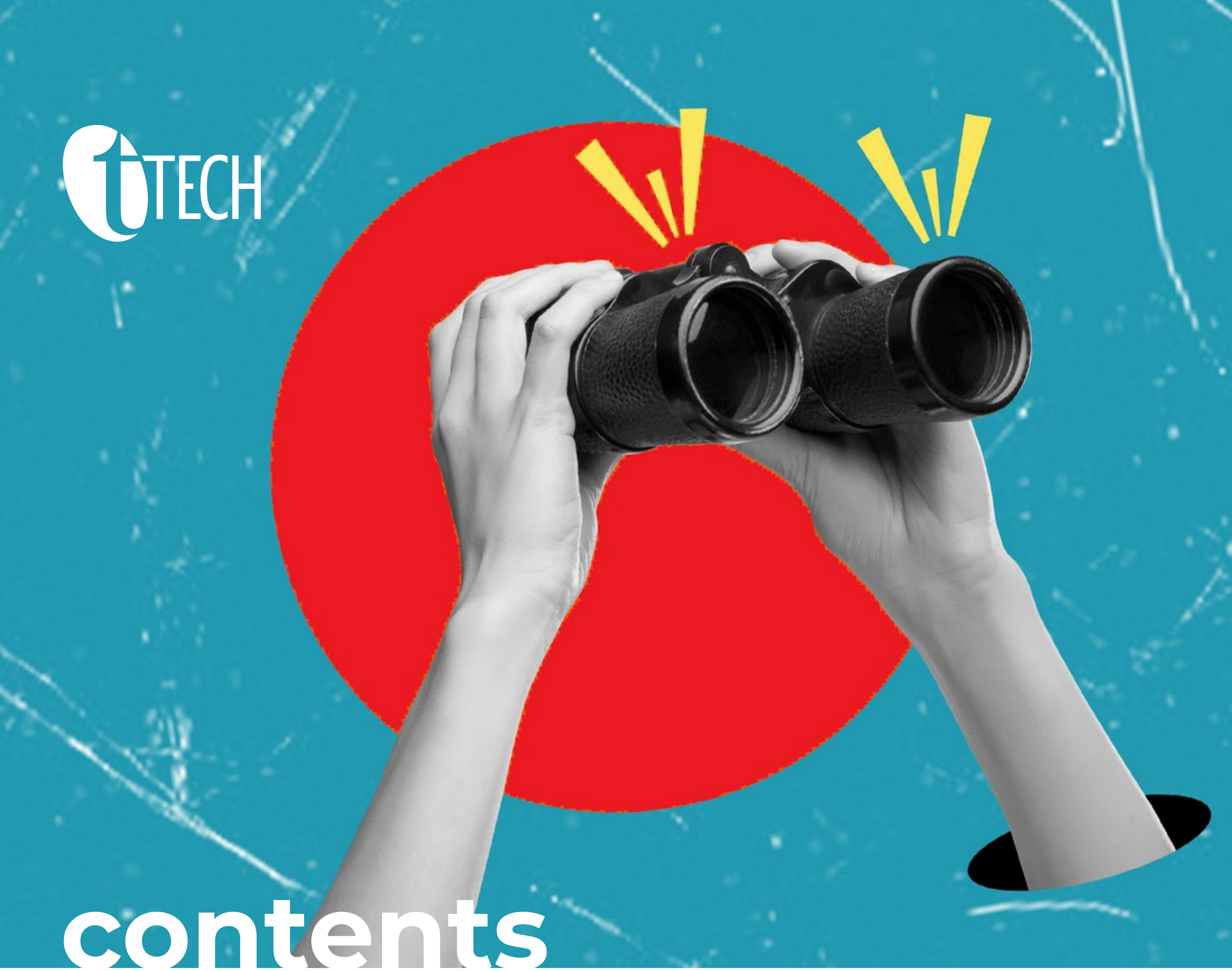
2023 ANNUAL REPORT

plan. execute. deliver.

EXCELLENCE IN ACTION



contents

mission

tTech is a Jamaican company that delivers world-class IT services through empowered and engaged team members who provide an insanely-good customer experience.

We help organisations to maximize returns on their IT investments resulting in them providing glowing references.

We provide a positive and honest environment which is underscored by a culture that minimizes bureaucracy and embraces change.

tTech will impact the markets in which we operate by consistently raising the bar for the industry through innovation and continuous improvement. We contribute to causes that facilitate growth and opportunity for our communities.

vision

To help achieve greatness by delivering IT Peace of Mind

purpose

To Inspire, Achieve and Make a Difference

core values

We care about people = Appreciative & Respectful

We are open and honest = Trustworthy & Honest

We do what it takes = Committed, Proactive, Responsive

We have each other's back = Supportive, Progressive

We are continuously improving = Empowered

follow our journey

TechTrek: A Journey of Innovation

Embark on a journey through time with tTech Limited, tracing our evolution from a small startup to a pioneering force in Jamaica's tech landscape. Each milestone represents for us a triumph of innovation, resilience, and commitment to excellence — attributes that define our ethos of 'Plan, Execute, Deliver: Excellence in Action' in 2023. As we celebrate our remarkable journey of growth and impact, we are guided by a relentless pursuit of excellence in every endeavour.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 Annual General Meeting of tTech Limited (the "Company") will be held on Thursday, June 13, 2024, at 3 p.m. (EST) at the Courtleigh Hotel, Somerset Suite, 85 Knutsford Boulevard, Kingston, to consider and if thought fit, to pass the following ordinary resolutions:

1. To receive the Company's Audited Accounts and the Reports of the Directors and the Auditors for the year ended December 31, 2023. To consider and (if thought fit) pass the following resolution:

   Resolution No. 1: "That the Directors' Report, the Auditor's Report and the Statements of Account of the Company for the year ended December 31, 2023, be approved."

2. The Directors to retire from office pursuant to Articles 102 and 108 of the Articles of Incorporation are Gordon Christopher Reckord, Norman Chen and Richard Downer.

   Resolution No. 2: To approve the election and re-election of Directors recommended for appointment to the Board of Directors of the Company. To consider and (if thought fit) pass the following resolutions:

   a. "That retiring Director Gordon Christopher Reckord be and is hereby re-elected a Director of the Company."

   b. "That retiring Director Norman Chen be and is hereby re-elected a Director of the Company."

   c. "That retiring Director Richard Downer be and is hereby re-elected a Director of the Company."

3. To re-appoint Auditors and authorize the Directors to fix the remuneration of the Auditors. To consider and (if thought fit) pass the following resolution:

   Resolution No. 3: "That ChrichtonMullings & Associates, Chartered Accountants be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

4. To fix the remuneration of the Directors. To consider and (if thought fit) pass the following resolution as a SPECIAL BUSINESS:

   Resolution No. 4: "That the amount of $1,838,000 included in the Audited Accounts of the Company for the year ended December 31, 2023, as fees for their services as Directors be and is hereby approved."

Dated this 18th day of April, 2024

BY ORDER OF THE BOARD

Marsha Bucknor

Company Secretary

REGISTERED OFFICE
69 ½ Harbour Street
Kingston

A Member entitled to attend and vote at this meeting may appoint a Proxy to attend and vote in his/her stead. A Proxy need not be a Member of the Company. A Proxy Form is enclosed for your convenience. Completed Proxy Forms must be lodged at the Company's Registered Office at least forty-eight hours before the time appointed for holding the meeting. The Proxy Form shall bear the stamp duty of $100.00 before being signed. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the person executing the Proxy.

plan.

A key driver of our progress has been the steadfast integration of security-first principles across our operations.

plan. execute. deliver.

EXCELLENCE IN ACTION

This year has been characterized by significant milestones and accomplishments as we reinforce our dedication to excellence and innovation. A key driver of our progress has been the steadfast integration of security-first principles across our operations.

In today's interconnected digital realm, security breaches present a substantial threat to businesses of all scales. Consequently, we have placed paramount importance on implementing robust security measures to safeguard our assets, data, and most crucially, the trust of our stakeholders. Our transition to a security-first company has been comprehensive, touching various facets of our organization:

1. **Cultural Shift:**
   We understand that security is not solely an IT concern but a collective obligation shared by every individual in our company. Through extensive training initiatives and awareness campaigns, we have fostered a culture of vigilance and accountability.

2. **Regulatory Compliance:**
   Upholding regulatory standards is crucial for maintaining trust and credibility. Proactively engaging with regulatory bodies, we ensure compliance with industry-specific mandates, thereby mitigating regulatory risks.

3. **Partnerships and Collaboration:**
   Recognizing the interconnected nature of cybersecurity, we have established strategic partnerships with leading security providers and industry experts. These collaborations enrich our capabilities and offer invaluable insights into emerging threats.

4. **Continuous Enhancement:**
   Security is an ongoing journey of improvement, not a static destination. Through regular audits, risk assessments, and incident response drills, we maintain vigilance and agility in managing security.

The benefits of our security-first approach are evident in our sustained growth, resilience amidst challenges, and the unwavering trust of our stakeholders. As we look ahead, we are committed to positioning our organization's primary services around securing our customers' environments and to fostering a culture of security excellence. We continue to develop both offensive and defensive security teams to drive success for all our customers and urge all organizations to enhance their security posture in compliance with the Data Protection Act.

We extend our gratitude to our shareholders, employees, customers, and partners for their steadfast support and collaboration. Together, we embark on the next phase of our journey, fortified by the principles of security-first thinking.

2006

tTech Limited Takes Flight!

Founded on December 1, 2006, with just 4 employees, tTech served as an outsourcing company to manage the IT resources for the conglomerate, GraceKennedy (GK).

Norman Chen

CEO

Dear Shareholders,

I am delighted to present tTech's performance for the year 2023. As I reflect on the past year, it is evident that our strategic focus on team engagement, customer satisfaction, and financial performance has been instrumental in driving our success.

Our Team

We commenced the year with a robust training and development program aimed at nurturing leadership skills among our team members. This investment empowered our staff to effectively manage, motivate, and cultivate exceptional talent within our organization. Furthermore, we curated engaging activities to foster a conducive environment for strategic thinking and innovation. As part of our corporate social responsibility efforts, we proudly adopted Reddie's Children's Home, spearheading various initiatives to positively impact our community and enrich the lives of the youth.

Our Customers

Central to our mission was strengthening customer relationships and ensuring their satisfaction. We implemented measures for transparent feedback enabling us to proactively address customer needs and enhance their productivity. Emphasizing our commitment to cybersecurity, we educated our clients on data protection regulations and implemented robust technical measures to safeguard their interests. Our strategic expansion into diverse sectors, notably the government domain, bolstered our client base and fortified our position within the security landscape.

Revenue and Profitability

Leveraging our expertise in high-value services, we recorded record sales figures underpinned by prudent cost-saving measures and operational optimizations. Despite encountering challenges such as customer attrition, we remained resilient and focused on delivering value to our clients while managing price sensitivity effectively. The favourable results for the year of $463.4M in revenue and $20.5M in profits attributable to owners can be attributed to the execution of our strategic plan, which prioritized our team and our customers.

TechCon

Our flagship security conference, TechCon, was executed in October and centred around the theme "Resilience: Building Resilient Cyber Infrastructure Strategies for the Digital Age". Emphasizing vital security domains crucial for organizations in the upcoming years was paramount. TechCon underscored our leadership in the security sector, solidifying our standing as a pivotal industry player and enhancing our brand prominence.

Security First

We continued to experience growth in our security portfolio, reflecting our commitment to innovation and meeting the evolving needs of

> "We continued to experience growth in our security portfolio, reflecting our commitment to innovation and meeting the evolving needs of our clients."

our clients. During the year, we emphasised our Data Protection Bundle Offer, which included the necessary technical assessments to support compliance with the Data Protection Act.

With the Information Commissioner granting a six-month extension to the registration deadline for the Data Protection Act registration, we were able to provide valuable assistance to our customers in meeting their technical compliance requirements. This expansion enhanced our competitive advantage and highlighted our dedication to providing best-in-class security solutions.

We are committed to sustaining this initiative throughout 2024, further solidifying our position as a trusted partner in safeguarding our clients' data and encouraging regulatory adherence.

Customer-Centric Teams

We implemented customer-centric teams through Agile Product-Oriented Delivery (POD), which enhanced our responsiveness and agility in addressing customer requirements. Through organizational initiatives and strategic alignment, we enhanced our customer-focused ethos across the company, ensuring that customer needs remain central to our decision-making and operations.

In conclusion, 2023 reflects our commitment to delivering shareholder value through strategic growth, operational excellence, and customer-centricity. We remain steadfast in our pursuit of excellence and look forward to continued success.

Outlook for 2024:

As we look ahead to 2024, we foresee several opportunities that will help us to achieve our strategic objectives. These include:

Customer Engagement:

Our continued focus on customer-centricity and personalized experiences can strengthen customer loyalty and drive repeat business. By listening to customer feedback, anticipating their needs, and delivering exceptional service, we can build long-term relationships and differentiate ourselves from competitors.

Security First:

The growing importance of Cybersecurity underscores the significance of our security portfolio. By continually enhancing our offerings to address evolving threats and compliance requirements, we can meet the increasing demand for robust security solutions and reinforce our position as a trusted provider in the market.

Technological Advancements:

The rapid pace of technological innovation presents opportunities for us to leverage new tools and solutions to enhance efficiency, streamline operations, and create value for our customers. Embracing emerging technologies such as Artificial Intelligence (AI) can drive competitive advantage and open new revenue streams.

The possible challenges that we anticipate for 2024 include:

Talent Acquisition and Retention:

Recruiting and retaining top talent remain key challenges amidst increasing demand for specialized skills and expertise. Competition for skilled professionals, demographic shifts, and evolving workplace preferences require us to invest in talent development initiatives and create an inclusive and engaging work environment.

Competitive Landscape:

Intensifying competition within our industry may exert pressure on market share and pricing strategies. Emerging competitors, technological advancements, and shifting consumer preferences require us to continuously innovate and differentiate our offerings to maintain our competitive edge.

Cost Sensitivity of Customers:

As the rebound from Covid fades, economic uncertainty and competitive pressures, customers' cost sensitivity towards services may pose challenges to our business model and revenue growth. It requires us to carefully assess pricing strategies, our account receivables and ensuring that our services offer compelling value propositions while remaining sensitive to customers' budgetary constraints.

Despite these challenges, we remain confident in our ability to navigate uncertainties and capitalize on opportunities for growth and innovation. By maintaining agility, resilience, and a customer-centric focus, we are well-positioned to overcome challenges and achieve our strategic objectives in 2024 and beyond.

Thanks to our team and stakeholders for your continued trust and support.

Sincerely,

Norman Chen

CEO

2007-2015

Years of Growth, Expansion and Innovation

2007: Expanded to 5 employees, upgraded GK's active directory system.

2008: Employed 6, implemented wireless network security for GK.

2009: Grew to 12 employees, designed GK's Voice and Data network.

2010: Deployed first Asterisk VOIP PBX for GK.

2011: Introduced Xorcom VOIP PBX for Cari-Med's call-centre.

TechCon, our flagship security conference, underscored our leadership in the security sector, solidifying our standing as a pivotal industry player and enhancing our brand prominence.


HITACH
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Systems Secur


Planning
Business Continuity Planning
Virtual CIO Services

directors' report

The Directors of tTech Limited are pleased to present their report for the year ended December 31, 2023. The Directors who served on the Board of tTech during 2023 were:

Non-Executive Directors

- U. Philip Alexander
- Joan-Marie Powell
- Tracy-Ann Spence

Executive Directors

- Edward Alexander
- G. Christopher Record
- Norman Chen
- Hugh Allen

Company Secretary

- Gillian Murray

Registrar

Jamaica Central Securities Depository Limited
40 Harbour Street
Kingston, Jamaica

Appointment of CEO

Norman Chen was appointed Acting CEO on December 1, 2022, and his appointment as the Company's CEO was later confirmed at the Board Meeting held on July 27, 2023.

Under Norman's astute leadership, tTech experienced a turnaround in its financial performance, coupled with the successful implementation of several strategic initiatives aimed at enhancing operational efficiency. Additionally, Norman prioritized tTech's commitment to delivering excellence in service to our valued customers while fostering a culture of engagement and collaboration within the team.

Appointment of Director

Richard Downer was appointed a Director of the Company by the Board on December 20, 2023. The appointment becomes effective January 1, 2024. Richard has served as tTech's Board Mentor since 2015 and as a member of the Audit Committee since February 2022.

Richard has provided invaluable advice to the Board in several areas, and we look forward to working with him in this new capacity.

Change of Company Secretary

At the end of 2023, Gillian Murray resigned as the Company Secretary, effective January 7, 2024, to pursue other opportunities, and Marsha Bucknor was appointed as the new Company Secretary, which becomes effective January 8, 2024.

The Directors thank Gillian for her contributions to tTech over the ten (10) years of her tenure and wish her all the best in her future endeavours.

Marsha is a member of the tTech's Executive Management team as the Sales & Marketing Manager, and the Directors look forward to working with her in her new role.

Company Performance

tTech recorded revenues of $463.483 million in 2023, a 23.9% improvement over 2022 (374.221 million). The profit attributable to owners after tax was $20.519 million, a significant turnaround from the loss of $22.869 million in 2022.

The Directors would like to take this opportunity to thank our customers, partners and the management and staff of tTech for their continued support and loyalty. We look forward to your continued partnership as we work towards the continued growth and expansion of tTech Limited.

Edward Alexander

Executive Chairman

2016

Pioneering the Market

Became the first Jamaican IT company listed on JSE's Junior Market.

Ranked among the world's top 501 MSPs.

board of directors

Edward Alexander, B.Sc., M.Sc.

Founder and Executive Chairman

Mr. Alexander is the Company's founder and Executive Chairman. After founding tTech in 2006, the company steadily developed under his leadership and in January 2016, tTech became the first Jamaican information technology company to be listed on the Junior Market of the Jamaica Stock Exchange.

His vision is to assist companies to improve the effectiveness of their investments in information technology by minimizing the cost of ownership of their infrastructure while maximizing the value from their business applications, ultimately leading to systems which contribute to increased competitiveness and profitability.

Mr. Alexander holds a Master of Science degree from the University of Pennsylvania and a Bachelor of Science degree from the University of Windsor. In addition, he has completed professional courses at the Harvard Business School and the University of Florida. He serves on the boards of CAC 2000 Ltd and his alma mater, Jamaica College.

Norman Chen, B.Sc.

Chief Executive Officer

Norman Chen brings a wealth of experience and expertise to his role as Chief Executive Officer (CEO) at tTech Limited. With a relentless focus on delivering cutting-edge solutions, he is committed to meeting the diverse needs of our clients.

A seasoned Information Technology specialist, Norman's journey began at Commnett Caribbean Limited, where he ascended to the role of Chief Technical Officer over nine years. He then became head of Fujitsu's IT Department and a Project Manager and IT Consultant at NC Associates.

Norman joined tTech Limited in 2013 as a Consultant, specializing in IT Service Management and Implementation. He then served as Director of Technical Services from 2014, was appointed Director of Sales in 2019, and then Security in 2022. In 2022, Norman became Acting CEO, then was eventually appointed CEO in 2023.

Norman holds a Bachelor of Science in Computer Science from the University of the West Indies. He also earned a Research Fellowship from Brown University, Rhode Island, USA, and has multiple certifications in Information Technology from renowned institutions.

He has a passion for coaching children in swimming, reflecting his commitment to nurturing talent outside the office.

As an Executive Director of the company, Norman Chen is instrumental in steering tTech Limited towards continued growth and success, driving innovation and delivering ultimate value to our shareholders.

Hugh Allen, B.Sc.

Assistant Technical Services Director

Hugh Allen, a founding member of tTech Limited, currently serves as the Assistant Technical Services Director. With a strong focus on Networking and Voice services, he brings extensive expertise to his role.

Having dedicated nineteen years to GraceKennedy Limited, with fifteen years spent in various IT capacities, Hugh is exceptionally qualified for his position. His wealth of experience uniquely positions him as a technical leader within the organization.

Hugh holds a Bachelor of Science double major in Business Management and Computer Science and a Diploma in Computer Management and System Analysis and Design from the Royal British Computer Society. He is also certified by Microsoft, Cisco, and Asterisk PBX systems.

With his blend of experience, education, and certifications, Hugh Allen continues to make invaluable contributions as Executive Director to the company's success, driving technical excellence and innovation at tTech Limited.

BOARD OF DIRECTORS (CONT.)

U. Philip Alexander, B.Sc.

Non-Executive Director

U. Philip Alexander brings a wealth of experience and expertise to the Board of Directors. With a Bachelor of Science in Mechanical Engineering from North East London Polytechnic, he has pursued continuous learning and development throughout his career.

Philip's academic achievements include completion of the Program for Management Development at Harvard University Business School, the MIT Executive Program in Corporate Strategy and Product Development, and Manufacturing Strategy at Stanford University Business School.

Having retired from GraceKennedy Limited after 32 years, Philip held various leadership roles, including Manufacturing Director, Group Quality Director, and Group Risk Manager. He also served on the Main Board of GraceKennedy and several subsidiary Boards and is currently a Director for the GraceKennedy Foundation.

Philip Alexander chairs tTech Limited's Corporate Governance Committee, contributes to the Company's Remuneration Committee, and is an invitee to the Audit Committee. His extensive experience and strategic insight make him a valuable asset to tTech Limited and its shareholders.

G. Christopher Reckord, M.B.A.

Non-Executive Director

G. Christopher Reckord is a distinguished leader in digital transformation and information technology, with 40 years of invaluable experience in the field. He is the former Chief Executive Officer of tTech Limited, the founder and former Executive Director of Innovative Corporate Solutions and held management positions at Adjoined Consulting in Florida.

His qualifications include a diploma in Industrial Education, specializing in Electrical Technology, from the University of Technology and an MBA in Business Administration from Barry University.

For public service, Christopher is a Justice of the Peace, and serves on public sector boards and committees for the Government of Jamaica, including being a Commissioner for The Betting, Gaming & Lotteries Commission (BGLC), a member of the Ministry of Tourism Gastronomy Network Committee, a member of the Digital Transformation Advisory Council and the Chairman of the Data Protection Oversight Committee and the National Artificial Intelligence Taskforce.

Additionally, he is a member of the Private Sector Organization of Jamaica (PSOJ) and serves as Chairman of their Innovation and Digital Transformation Committee.

At tTech Limited, he serves as a member of the Remuneration and the Corporate Governance Committees and is an invitee to the Audit Committee, where his experience and strategic vision make him invaluable to the company.

Joan-Marie Powell, B.Sc., M.B.A.

Independent Non-Executive Director

Joan-Marie Powell brings a wealth of experience and expertise to tTech Limited as an Independent Non-Executive Director. With a distinguished career, she served as the former Managing Director of GraceKennedy Money Services Limited (GKMS) until her retirement in December 2013.

During her tenure at GKMS, Joan-Marie's technical insight and operational prowess were instrumental in fostering a culture of innovation. Under her leadership, GKMS expanded into new markets and diversified its service portfolio, successfully reaching seven other markets in the Caribbean.

Joan-Marie holds a Bachelor of Science in Management Studies and a Masters in Business Administration, with a management of technology speciality, from the University of the West Indies. Beyond her professional achievements, she serves as a member of the Board of Directors at the Grace and Staff Community Development Foundation and a Justice of the Peace for the Parish of Kingston. She is also an active member of the Kiwanis Club of New Kingston.

At tTech Limited, Joan-Marie Powell serves as the Chairman of the Remuneration Committee and contributes as a member of the Company's Audit and Corporate Governance Committees. Her strategic insights and commitment to excellence make her an asset to the tTech and its shareholders, steering the company in its quest to drive innovation and achieve sustainable growth.

Tracy-Ann Spence, B.Sc., M.B.A., PMP

Independent Non-Executive Director

Tracy-Ann Spence is the Executive Vice President and Chief Investment Officer at Sagicor Group Jamaica Limited, where she has strategic oversight for Sagicor Investments Jamaica and Group Treasury & Asset Management. Before joining Sagicor, she worked with the NCB Financial Group for 20 years, with her most recent role as Chief Operating Officer at NCB Capital Markets Limited.

Her qualifications include a B.Sc. in Applied Mathematics from York University in Toronto, an MBA in Banking and Finance (with distinction) from the University of the West Indies and a Project Management Professional (PMP) Certification from the Project Management Institute. She has also completed the "Director's Strategic Guide to Corporate Governance and Leadership" offered by the Jamaica Stock Exchange.

Tracy-Ann currently sits on the boards of the Jamaica Association for the Deaf, tTech Limited, Mailpac Group Limited, the Jamaica Stock Exchange and Salada Foods Jamaica Limited.

She previously mentored in the Youth Upliftment Through Employment Programme and has taught adult literacy with the Adult Learning Centre and Jamaica Foundation for Lifelong Learning. She was also an adjunct lecturer in Financial Management at the Mona School of Business & Management, University of the West Indies, in the MBA and EMBA programmes for a few years.

Richard Downer, CD, FCA.

Board Mentor

Mr. Downer has responsibility for advising on the implementation of adequate procedures, systems and controls for financial reporting, corporate governance, timely disclosure of information to the market, and general compliance.

He was educated at Munro College in Jamaica, Eastbourne College, Sussex, England and McGill University in Montreal, Canada and qualified as a Chartered Accountant in Canada. Mr. Downer is a Fellow of the Institute of Chartered Accountants of Jamaica and a recipient of its Distinguished Member Award and he was inducted as a member of the Munro College Hall of Fame.

Mr. Downer is a former Senior Partner of PricewaterhouseCoopers in Jamaica. He has served on other boards in the financial services industry, beverage manufacturing and distribution, and several public sector boards including the Bank of Jamaica and Chairman of the Coffee Industry Board. He was awarded the Order of Distinction with the rank of Commander (CD) for services to accountancy and being a pioneer in privatization.

Mr. Downer is the Board Mentor and a Director of Dolphin Cove Limited and Chairman of its Audit Committee and a Board Director of RAWilliams.

Gillian Murray, B.B.A., M.B.A.

Company Secretary

Gillian Murray serves as the Company Secretary at tTech Limited, where her expertise lies in ensuring compliance with legal and regulatory standards, alongside overseeing governance and administration. Specializing in managing the human aspect of change, she adeptly crafts and delivers communications to facilitate seamless transitions within the company.

Having formerly served as the Marketing Manager at tTech Limited for four years, Gillian was instrumental in boosting the company's brand awareness and profile. Her strategic marketing initiatives directly contributed to revenue growth and solidified tTech's market position.

Gillian holds a Bachelor of Business Administration in Marketing and Finance from the University of Technology, Jamaica, a Masters in Business Administration from the University of the West Indies, Mona School of Business and Management and also completed the 'Director's Strategic Guide to Corporate Governance and Leadership' course, offered by the Jamaica Stock Exchange. Additionally, she serves as a Justice of the Peace for the parish of Kingston.

management team

Meet Hortense Gregory-Nelson, FCA, FCCA, CFP

Finance & Administrative Manager

Hortense Gregory-Nelson brings over 20 years of expertise in accounting and auditing to her role as Finance & Administrative Manager at tTech Limited, where she plays a pivotal role in ensuring the Company's financial health and operational efficiency.

With strategic oversight, Hortense manages the finance and administrative functions of tTech, including preparing quarterly and annual financial reports, monitoring investment activities, and providing crucial financial insights to management.

As a Certified Chartered Accountant with ACCA UK accreditation and a Certified Financial Planner (CFP) from the Chartered Banker Institute, also with training in forensic accounting, performance management and leadership, and project management, Hortense brings a wealth of knowledge and professionalism to her position.

Hortense's diverse industry experience, spanning banking, government, non-profit, and business services, enriches her perspective and strengthens her contributions to tTech. Beyond her professional endeavours, she is dedicated to sharing her knowledge and giving back to her community, serving on the Credit Committee of the Grace Co-operative Credit Union and the Spicy Grove Youth Centre.

In addition to her professional and philanthropic pursuits, Hortense has a passion for gardening, reflecting her commitment to nurturing growth and fostering vibrant environments – qualities that resonate in her approach to financial management at tTech Limited.

Moneshe Hutchinson, BEd.

Human Resources Manager

Moneshe Hutchinson is the Human Resources Manager at tTech Limited, spearheading the development, implementation, and leadership of the company's people management strategy.

With a Bachelor of Education in Information Technology from The Mico University College and currently pursuing a Masters degree in Human Resource Management, Moneshe brings a diverse background in teacher training and IT education to her role. This unique perspective has been instrumental in driving her success as tTech's human resources leader, where she focuses on strategic HR Planning, Talent Acquisition and Management, and Employee Experience while leveraging technology and innovation to revolutionize HR processes and practices.

Moneshe's commitment to upholding tTech's core values, promoting team engagement, employee well-being, and team development ensures that the tTech team remains motivated, fulfilled, and aligned with its mission. By continuously improving HR practices and fostering a supportive work environment, Moneshe plays a pivotal role in tTech Limited's success and efforts to create a thriving workplace culture.

2018

Inaugural TechCon

tTech hosted its inaugural TechCon conference.

2019

Elite MSP Recognition

Ranked among the world's top MSPs in Channel Future MSP 501.

2021

15 Years of Innovation - A Period of Reflection & Impact

On December 2, 2021, tTech celebrated its 15th anniversary, growing from 2 to over 50 team members.

Marsha Bucknor, BSc., M.B.A.

Sales and Marketing Manager

Marsha has a passion for driving growth and fostering client connections, making her instrumental in steering tTech to success - bringing over 17 years of experience in sales, marketing, and customer relationship development to her role as Sales and Marketing Manager at tTech Limited.

Marsha's mission is clear: to spearhead sales and marketing strategies that fuel tTech's expansion and elevate its bottom line. Through her dynamic leadership, she orchestrates initiatives to boost revenue and enhance profitability for tTech, ensuring that the company remains a front-runner in the industry.

In addition to her professional pursuits, Marsha has a passion for health and wellness, which she integrates into her leadership approach, fostering a culture of well-being within the team. Marsha was appointed Sales and Marketing Manager in January 2023, followed by her appointment as Company Secretary in January 2024.

Before joining tTech, she held pivotal roles at Promobiz Limited, where she honed her skills in marketing campaign development and business development strategy implementation.

Marsha is an alumna of The University of the West Indies, Mona, where she earned her B.Sc. in General Management. She furthered her academic pursuits by obtaining an M.B.A. in Marketing from The University of Technology, Jamaica.

Marsha Bucknor's commitment to excellence, strategic vision, and dedication to the role make her an invaluable asset to tTech Limited.

Lesley S. Cousins, B.Sc., M.Sc.

GraceKennedy Services Manager

Lesley Cousins serves as the Services Manager for GraceKennedy, where her leadership of the dedicated GK POD team is instrumental in driving strategic service planning and execution to optimize GraceKennedy's operations.

Before her current role, Lesley held other vital positions at tTech, including Manager of Enterprise Services and Manager of Consulting Services and the Project Management Office, where her expertise played an important role in enhancing the company's project service delivery and boosting revenue through consultancy services.

With a Bachelor of Science degree in Environmental Sciences (Hons) from the University of the West Indies, Mona, and a Master of Science in Management and Implementation of Development Projects (Hons) from the University of Manchester Institute of Science and Technology, United Kingdom, Lesley brings a wealth of knowledge to her role. Additionally, she is a certified Microsoft Projects user and completed a post-graduate diploma in the Director's Strategic Guide to Corporate Governance and Leadership course offered by the Jamaica Stock Exchange.

Lesley's dedication and expertise significantly contribute to tTech's success and efforts in delivering high-quality services to its clients. Her strategic approach and leadership ensure that tTech remains at the forefront of the industry, driving innovation and delivering value to stakeholders.

2022

Engaging and Supporting

Throughout 2022, the company redirected its celebratory funds to engage initiatives that supported students impacted by the pandemic. Efforts included providing tuition grants to UTECH students and 60 tablets to students in need from 15 select schools across Jamaica, among others.

2023

Continuing the Journey

Building on past achievements, tTech remains dedicated to innovation and community impact, poised for continued growth and excellence.

tTECH

lines of business

At tTech, we are committed to providing innovative IT solutions tailored to meet the unique needs of our clients, empowering them to enhance operational efficiencies and drive cost savings.

Our comprehensive suite of services encompasses a diverse range of offerings designed to optimize IT infrastructure and bolster organizational success. From full-time user support and managed infrastructure to cutting-edge managed cybersecurity, cloud computing, and collaboration tools, tTech delivers tailored IT solutions that align with our clients' strategic objectives and propel them towards sustainable growth and success.

Managed Cybersecurity

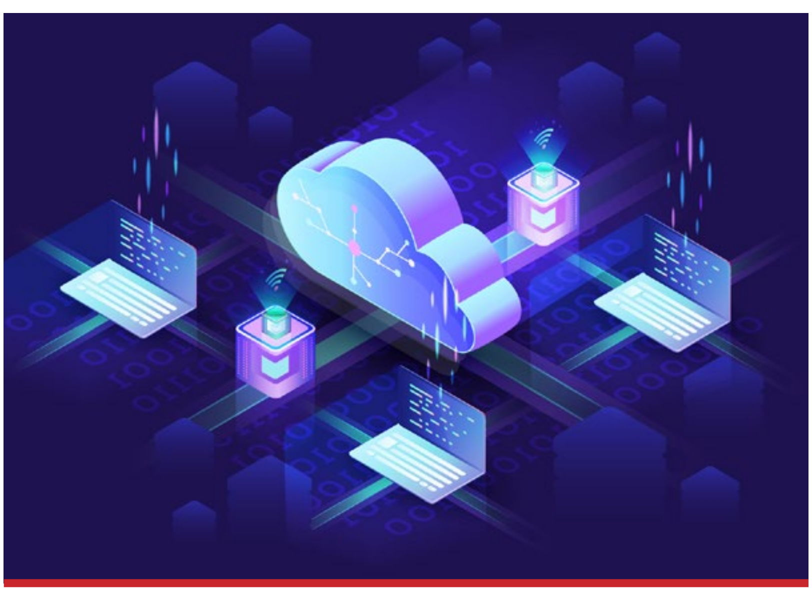
In today's digital landscape, safeguarding your organization against cyber threats is paramount. tTech offers Managed Cybersecurity services to protect your enterprise from evolving security risks and potential disruptions. Our dedicated team of IT security experts collaborates closely with clients to implement cutting-edge security solutions tailored to their specific business needs. Whether augmenting existing IT teams or providing fully outsourced solutions, tTech ensures the highest level of security through network assessments, vulnerability testing, intrusion detection, incident response, and comprehensive security training.

Security services provided by tTech to its clients include:-

- Managed Cybersecurity Services
- Managed Endpoint & Protection
- Multi-Factor Authentication Solutions
- Encryption Solutions
- Network Security Assessments (Vulnerability and Penetration Testing)
- Security Awareness Training
- Cybersecurity Incident Response
- Cybersecurity Tabletop Exercises
- Security Governance & Management Diagnostic
- Dark Web-Scanning & Risk Assessment
- Data Privacy / Data Protection Services

Cloud Migration Services

Recognizing the transformative potential of Cloud Computing, tTech has been at the forefront of cloud adoption in Jamaica and the Caribbean. Leveraging our own experience with cloud solutions like Microsoft Office 365, we offer Cloud Migration Services to help clients seamlessly transition their IT infrastructure to the cloud. By migrating to the cloud, organizations can reduce costs associated with physical servers and storage while enhancing accessibility and efficiency for users. Our expertise in network design, security, and infrastructure monitoring ensures a smooth and secure transition to cloud-based solutions, empowering our clients to embrace the benefits of cloud computing with confidence.



Infrastructure Management

tTech provides comprehensive Infrastructure Management services to optimize the performance, reliability, and availability of our clients' IT infrastructure. Our proactive approach includes continuous performance monitoring, real-time alerts, and immediate response to network and server issues. With tTech's Infrastructure Management, clients benefit from minimized downtime and enhanced operational efficiency, supported by timely intervention and resolution of challenges.

Collaboration Tools

Effective communication is the cornerstone of business success, and tTech offers cutting-edge Collaboration Tools to streamline real-time communication. As a Unified Communications (UC) partner, we empower clients with seamless communication services, including instant messaging, telephony, video conferencing, and desktop sharing. Our UC Solutions leverage proven technologies such as Sangoma PBX, Microsoft Teams, Microsoft Exchange, and Office 365, enabling smooth internal and external communications across platforms and devices while optimizing costs and minimizing system interruptions.

Consulting Services

At tTech, we believe that a company's technological infrastructure should empower its business strategy, not hinder it. Our Consulting Services offer tailored IT solutions designed to align with our clients' specific needs and maximize returns on their IT investments. With expertise in proven methodologies, our IT consultants guide organizations through technological transitions, ensuring seamless implementation and optimization of IT resources. As the demand for skilled IT professionals grows, tTech Consulting fills the gap by providing essential services such as Disaster Recovery and Business Continuity Planning, Virtual CIO Services, and Project and Portfolio Management. With tTech Consulting, clients can navigate complex IT challenges with confidence, knowing they have a trusted partner by their side.

Service Desk

At tTech, our dedicated Service Desk team is committed to resolving clients' technology challenges promptly and efficiently. With a single phone call or email, clients can access expert support for desktops, laptops, mobile devices, printers, networks, and business applications. Our experienced professionals ensure the timely resolution of end-user issues, with complex problems, escalated for a swift resolution to minimize disruptions.

shareholders' interests

Top Ten Shareholders

As at December 31, 2023

Edward Alexander/Charmaine Alexander	46,712,834
Enqueue Inc.	14,298,816
Auctus Holdings Inc.	11,720,550
Hugh Allen	8,367,479
Mayberry Jamaican Equities Limited	6,421,966
GraceKennedy (2009) Pension Plan	1,604,893
Marcelle Smart	1,004,759
Zachary Henry	894,018
Douglas Orane	881,448
Ja. Credit Union Pension Fund	806,448

Shareholdings of Directors & Connected Parties

As at December 31, 2023

Edward Alexander/Charmaine Alexander	46,712,834
Norman Chen (Enqueue Inc.)	14,298,816
G. Christopher Reckord (Auctus Holdings Inc.)	11,720,550
Hugh Allen	8,367,479
U. Philip Alexander	267,965
Joan-Marie Powell	32,000
Tracy-Ann Spence	nil

Shareholdings of Senior Managers & Connected Parties

As at December 31, 2023

Edward Alexander/Charmaine Alexander	46,712,834
Norman Chen (Enqueue Inc.)	14,298,816
Hugh Allen	8,367,479
Hortense Gregory-Nelson/Janelle Nelson	734,523
Gillian Murray	240,909
Lesley Cousins	50, 000
Moneshe Hutchinson	600
Marsha Bucknor	nil

corporate data

Registered and Head Office

tTech Limited
69 ½ Harbour Street,
Kingston, Jamaica
Telephone: (876) 656-8448
Facsimile: (876) 922-0569
Email: info@ttech.com.jm
Website: www.ttech.com.jm

Auditors

CrichtonMullings and Associates
Certified Public Accountants / Chartered Accountants / Consultants
Unit 27B, 80 Lady Musgrave Road
Kingston 10, Jamaica
Telephone: 876-946-1274
Facsimile: 876-978-0877
Website: www.crichtonmullings.com

Bankers

Bank of Nova Scotia Jamaica Limited
Scotiabank Centre
Corner of Duke and
Port Royal Streets
Kingston, Jamaica

First Global Bank Limited
Corner of Duke
and Harbour Streets
2 Duke Street
Kingston, Jamaica

“Upholding regulatory standards is crucial for maintaining trust and credibility.”

corporate governance

STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Structure

The Board of Directors serves as the custodian of effective corporate governance within the company. It delineates broad policies and strategic objectives while ensuring the availability of requisite resources to realize these goals. Our Board Charter is accessible on the company's website https://www.ttech.com.jm.

Independent Non-Executive Director Statement

The board identifies in its Annual Report each Non-Executive director it considers to be independent, taking into account various factors including whether a director has been an employee of the company within the last five years; or, has had a direct or indirect material business relationship with the company or its officers; or has received remuneration, apart from a director's fee, from the company, or, its employees; or has close family ties with the company's advisers, directors or senior employees; or holds cross directorships or has links with other directors through involvement with other companies or bodies; or represents a significant shareholder; or has served on the board for more than nine years. Any exceptions would have to be justified by the board.

Based on these principles the Board has appointed the following Independent Non-Executive Directors: -

- Joan-Marie Powell
- Tracy-Ann Spence

Mr. Richard Downer was appointed to the board as an Independent Non-Executive Director effective January 1, 2024.

Induction of New Directors

New directors are formally inducted into the company which enables them to transition into Board meetings effortlessly. The induction covers the company's vision, strategy, financial position, regulatory requirements and risks. The Board Chairman meets with the new Directors to inform them of the structure, rights, duties, responsibilities and roles of the Board and a Director. Additionally, they meet with the Chairs of the Board Committees and the management team for an orientation and are given a tour of the Company's office (if possible).

Board Meetings

The Board and Board Committees meet quarterly to discuss and review the performance of the company to ensure that the strategy and key objectives are being satisfactorily pursued by the management team. Other Board meetings are held in the year to review the company's long-term strategy along with the budget and operating plans for the upcoming year. The board takes into account the economic, social and regulatory environment and the risks that may exist in the markets in which the company operates.

The board also retains the right to call additional meetings if it deems them necessary.

tTech Limited Board of Directors' Meeting Attendance *January - December 2023*

Number of Boards & Committee Meetings	6	5	5	4	1
Names	**Board**	**Audit**	**Remuneration**	**Corporate Governance**	**Annual General Meeting**
Board of Directors					
Edward Alexander, Chairman	6	5	5	4	1
U. Phillip Alexander	5	5	5	4	1
G. Christopher Reckord	6	3	4	3	1
Norman Chen	6	5	5	4	1
Hugh Allen	4	N/A	3	N/A	1
Joan-Marie Powell	6	5	5	4	1
Tracy-Ann Spence	6	4	4	2	
Richard Downer (Mentor)	5	5	5	3	1

BOARD COMMITTEES

Quarterly Board and Board Committee gatherings serve as forums for deliberating and evaluating the company's performance vis-à-vis strategic objectives. Supplemental meetings convene periodically to delineate long-term strategies, budgetary allocations, and operational blueprints, all while considering prevailing economic, social, and regulatory dynamics. The Board retains the prerogative to convene ad hoc meetings as necessitated by prevailing circumstances.

Audit Committee

The Audit Committee was formed in 2015 and its main functions are oversight of:

1. Financial reporting and compliance with legal and regulatory requirements
2. Internal controls
3. Internal and external audits
4. Budgeting and forecasting

During the year the committee focused on:

1. Oversight of the annual audit
2. Understanding and getting explanations of the financial results and what it means operationally.
3. Improving the resourcing and operations of the team to ensure that the financial reports were completed and checked promptly.
4. Ensuring that all external reporting requirements were completed and filed on time.
5. Identifying any additional monthly financial reports that may be required from time to time and determining which formats are best suited for the company.

In 2024 the main focus will be on:

1. Continuous improvement in monthly, quarterly and annual reporting, based on the best practice benchmarks for companies of our size and to meet all statutory requirements.
2. Working with operations to automate accounting processes as best as possible to improve efficiency and reporting.
3. Continuous training and support for the accounting team.
4. Working with our external auditors to have the final draft of the audited financial report at least 10 working days before the Jamaica Stock Exchange (JSE) deadline.
5. Improving the financial analysis and commentary in the financial reports to support strategy development and execution.

In 2023 the Audit Committee was chaired by Tracy-Ann Spence. Other members were Joan-Marie Powell and Richard Downer. Invitees to this Committee were Edward Alexander, U. Philip Alexander, G. Christopher Reckord, Norman Chen and Hortense Gregory-Nelson (Finance and Administration Manager).

External Auditor

The company appointed external Auditors, Crichton Mullings & Associates Jamaica of 80 Lady Musgrave Road, Kingston 6 at the company's Annual General Meeting held on September 15, 2022.

The Chairman of the Audit Committee invited the auditors to a meeting of the Committee to present the Company's audit findings and discuss the draft audited financial statements. The external auditors also attended the Annual General Meeting to make a presentation on the audited financial statements to shareholders and were available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Remuneration Committee

The Remuneration Committee was formed in 2016 and its main functions are:

1. Oversight of the company's compensation and benefits policies.
2. Oversee and set compensation for the company's Executive Officers, including its Executive Chairman, CEO and Non-Executive Directors.
3. Development of an incentive scheme for the senior executives.
4. Oversee the establishment of appropriate human resource strategies and policies.

During the year, the Remuneration Committee focused on several key areas:

1. **Team Development:**
   This included efforts to develop and enhance leadership capabilities, improve customer service skills, and enhance functional knowledge among team members.
2. **Performance Management:**
   The committee also dedicated attention to performance management processes and strategies to ensure alignment with organizational goals and objectives.
3. **Performance Incentive:**
   Additionally, the committee reviewed and implemented performance incentive programs to reward and motivate employees based on their performance and contributions.
4. **Policy Review and Implementation:**
   The committee also undertook a comprehensive review of existing policies and implemented new policies where

necessary to ensure fairness, transparency, and compliance with regulatory requirements.

5. **Company Structure:**
   The committee also reviewed the company's organizational structure to ensure it supports the company's goals and objectives, making recommendations for changes where necessary.

6. **Change Management:**
   Overseeing change management initiatives, ensuring that changes within the organization were effectively communicated and implemented to minimize disruption and maximize employee engagement.

In 2023 the Remuneration Committee was chaired by Joan-Marie Powell. Other members were U. Philip Alexander, G. Christopher Reckord and Hugh Allen. Invitees to this Committee were Edward Alexander, Norman Chen, Richard Downer, Gillian Murray and Moneshe Hutchinson (Human Resources Manager).

In 2024, the Remuneration Committee will oversee and support the development of staff to ensure tTech's success through consistent and high-quality service delivery. The focus will be on:

1. Fostering a supportive environment that encourages continuous learning and development to ensure consistent service delivery success.
2. Overseeing the Training & Development of Staff
3. Investing in training and certification programmes that align with strategic goals.
4. Ensuring compensation structures that reward employees based on skillsets, qualifications, and experience.

Corporate Governance Committee

The Corporate Governance Committee was formed in 2017 and its main functions are:

1. Creation and review of governance policies
2. Selection and recruitment of board members
3. Board training and education
4. Board performance and evaluation
5. Enterprise Risk Management

During the year the committee focused on:

1. Ensuring that the appropriate policies, procedures, and guidelines for the staff and/or customers were in place to continue to manage the impact of the COVID-19 virus.
2. Ensuring that compliance with the Data Protection Act implementation deadline was met
3. Review and support of the Whistleblowers Policy which can be found on the Company's website https://www.ttech.com.jm
4. Review of the company's Jamaica Stock Exchange/ PSOJ Corporate Governance profile
5. Training in Artificial Intelligence (AI) for the board and senior managers
6. Ensuring that the Code of Conduct and Conflict of Interest Certification for the Directors and Senior Management was done and reviewed
7. Ensuring that a rigorous and effective Enterprise Risk Management program was in place to allow for the effective management and mitigation of the risks to the organisation
8. Assisted the board with the identification of possible candidates for appointment to the Board

In 2024, the main focus will be on:

1. Continuing training and education programs for the Board and Senior Managers.
2. Oversight of the company's Data Protection Compliance Program
3. Monitor the effectiveness of the Enterprise Risk Management program and support the management team where necessary
4. Assisting the Board with its succession planning and identification of possible candidates for appointment to the Board
5. Board performance and evaluation
6. Overseeing the Whistleblower Policy
7. Improving the Corporate Governance profile
8. Development of policies to enhance the governance of the company
9. Ensuring that the Code of Conduct and Conflict of Interest Certification for the Directors and Senior Management is done and reviewed

In 2023 the Corporate Governance Committee was chaired by U. Philip Alexander. Other members were Joan-Marie Powell, Tracy-Ann Spence and G. Christopher Reckord. Invitees to this Committee were Edward Alexander, Norman Chen, Richard Downer and Gillian Murray

RESPONSIBILITIES OF THE BOARD

The company has attracted a strong and experienced Board of Directors who review and approve key policies and make decisions about:

- Corporate Governance
- Internal Controls
- Fiduciary Oversight
- Compliance with laws and regulations
- Strategy direction and operating plans
- Business development including major investments and divestitures
- Appointment or removal of Directors
- Remuneration of Directors
- Risk Management
- Financial Reporting and Audit
- Financing
- Corporate Social Responsibility
- Ethics
- Environment
- Succession planning for the Directors and Senior Executives

Responsibilities of the Chairman, Company Secretary and Directors

The Chairman's primary responsibilities are the effective operation of the Board and the dissemination of sufficient information to support decisions. He is also responsible for ensuring that new Directors are inducted into tTech and receive the necessary orientation.

The Company Secretary is responsible for ensuring that the Board's procedures are effectively followed and supports the decision-making process and governance. All Directors have access to the Company Secretary for advice and services.

All Directors are expected to allot sufficient time to prepare for and attend meetings of the Board and its Committees. Regular attendance at Board and Committee meetings is required; in the absence of an agreement a director should not miss two consecutive regular Board meetings. The leadership of the Company is accessible to the Directors via the Executive Chairman.

Performance Evaluation of the Board, Committees & Individual Directors

A system for the evaluation of the Board and Director's performance is in place. It evaluates the performance of the Board by the Directors as a whole, a Peer Review by the Directors of the other Directors, and a Self-Assessment by the Directors of their performance. It is done annually, and a corrective action plan is developed for any areas of concern that are identified.

Directors' Skills and Competencies

The Board has a strong mix of expertise, experience and leadership which aids good corporate governance and business practices.

	AREAS OF EXPERTISE						
	Industry	Strategy & Leadership	Finance & Audit	Governance	Risk Mgmt	HR Mgmt	Acquisitions & Divestitures
Board of Directors							
Edward Alexander, Chairman	✓	✓	✓	✓	✓	✓	✓
U.Philip Alexander		✓	✓	✓	✓	✓	✓
G. Christopher Reckord	✓	✓		✓		✓	
Hugh Allen	✓			✓		✓	
Joan-Marie Powell		✓	✓	✓	✓	✓	✓
Norman Chen	✓	✓	✓	✓		✓	
Tracy-Ann Spence		✓	✓	✓	✓	✓	✓
Richard Downer (Mentor)		✓	✓	✓	✓	✓	✓

Board & Executive Compensation

The Non-Executive Directors compensation reflects their contribution, commitment and time taken to improve the Board's performance. It is also built on the premise of attracting and retaining Directors of high standards. This compensation is subject to annual reviews based on comparable conditions and evaluation of the effectiveness of the Board and its committees.

Non-Executive Directors Fees

	Annual Fee (JMD)	Attending Committee Meetings (JMD)
Non-Executive Directors	$250,000	$15,000 per meeting
Board Chairman	$100,000	
Committee Chairman	$50,000	

Non-Executive Directors fees are paid quarterly. Executive Directors are not paid fees.

Director's Training and Education

The Board has emphasized Directors' training and education and recognizes the importance of continuing this path.

- All Directors and Senior Managers participated in Artificial Intelligence training

Succession Planning

An integral responsibility of the Board is succession planning for all Senior Executives and the Directors. This is done by identifying potential successors for each senior post and providing the necessary exposure for them to function in the business in case of an emergency.

CODE OF CONDUCT

All Directors and Senior Managers complete annually an adherence to the Company's Code of Conduct policy certificate. Employees are also mandated to adhere to the Company's Code of Conduct policy and act ethically at all times.

Disclosure and Transparency

All Directors and Senior Managers are required to complete annually, a Disclosure of Interest Certificate which is reviewed by the Corporate Governance Chairman.

The following policies can be found on our website *https://www.ttech.com.jm*.

- Code of Conduct policy
- Whistle Blower policy
- Dividend policy

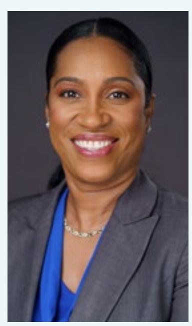
Directors and the Company Secretary that have completed the JSE/Private Sector Organization of Jamaica Directors Strategic Guide to Corporate Governance.

2018 - Edward Alexander

2018 - Norman Chen

2018 - Tracy-Ann Spence

2019 - Joan-Marie Powell



2019 – Gillian Murray (Company Secretary)

2020 - G. Christopher Reckord

2020 - Hugh Allen

MEETINGS

Schedule of Meetings

During each financial year, there are a minimum of 4 regular Board and Committee meetings. These meetings are scheduled every quarter. Two other Board meetings are scheduled each year to focus on the company's long-term strategy, operating plans and annual budget. Special Board or Committee meetings may also occur at times as required.

Agenda Items for Board Meetings

The Chairman, CEO and Company Secretary establish the agenda for each Board meeting. Each Board member has the option to suggest items for inclusion on the agenda. Information is distributed electronically and or in writing to the Directors before the Board meetings.

Invited Attendees

Additionally, the Board invites Senior Managers to join Board and Committee meetings who:

(a) make presentations to the Board and Committees on their areas of responsibility.

(b) can provide additional insight into items being discussed due to direct involvement, or

(c) are managers who display attributes that the Executives believe should be given exposure to the Board as a part of their development.

ANNUAL GENERAL MEETING (AGM)

The AGM provides an avenue for shareholders to hold the company accountable, provide transparency through the presentation of the company's audited accounts and give the shareholders a voice to ask questions and raise concerns. The AGM is also the forum for decisions; to finalize dividends paid within a year, appoint auditors and fix their remuneration and the re-election of Members of the Board. To view our AGMs in video format, go to our YouTube page - tTech Limited, or our website at *https://www.ttech.com.jm*.

Shareholders Communication

Information about tTech is published on the Company and the Jamaica Stock Exchange websites. This includes the Annual Audited Financial Statements, the Quarterly Unaudited Financial Statements, the Annual Report and any changes in the Board or the Senior Management. Where required, notices are also published in the print media. The Annual Report is also available in hard copy at each Annual General Meeting in addition to the Notice of the AGM and Proxy Form being distributed to all shareholders by the Jamaica Central Securities Depository.

Additionally, minutes of the Annual General Meetings held are available for download on the company's website *https://www.ttech.com.jm*.

Avenues for Shareholders Communication

We encourage each shareholder to share concerns and suggestions as we value your feedback and support.

Communication can be done by emailing the Company Secretary at *company.secretary@ttech.com.jm* or by writing directly to the Executive Chairman, Edward Alexander, at tTech Limited, 69 1/2 Harbour Street, Kingston.

md&a

MANAGEMENT DISCUSSION & ANALYSIS

Financial Performance

tTech's strategy to focus on team engagement, customer satisfaction, and enhancing financial performance resulted in a successful year for 2023. The Company recorded revenues of J$463.4 million, an increase of 23.8% from 2022 and a profit after tax of $20.5 million. This compares to a loss of $22.8 million in the prior year.

In 2023, increased earnings stemmed from leveraging our expertise in high-value services, implementing cost-saving measures, and operational optimizations. The closure of several long-term contracts also contributed to our profitability, replacing revenues delayed in the prior year. We remained focused on delivering value to our clients while managing price sensitivity effectively, which resulted in higher earnings. We closed several long-term contracts in 2023 to replace revenues delayed in the previous year, which contributed to our profitability.

Our Direct Costs are the cost of providing contracted services and equipment to our customers. These include:

- the costs of operational personnel responsible for service delivery
- the cost of applications and services used to support the service delivery
- the cost of sale for third-party equipment and services supplied to our customers

The Direct Costs for 2023 was 56.0% of revenue versus 60.5% in 2022. This was led by an increase in the Company providing equipment to support our customers' networks and system upgrades at lower margins, along with further investments in applications to support our service delivery.

md&a

40.5%

Percentage of sales decreased to 40.5% in 2023 from previous year

$20.5M

Total Net Asset value, 9.3% increase over previous year

$21.2M

Current Assets increased this year

$187.7M

Unappopriated Profit for period rose by 527.8%

$239.4M

Saherholders' Equity

Administrative and Other Operating Expenses

Administrative and Other Operating expenses as a percentage of sales decreased to 40.5% in 2023 versus 45.7% in 2022, increasing by $17.9 million or 10.4%. Our primary spend was on advertising to maintain brand awareness and inform the market, while further expenditure was made by undertaking training activities, in keeping with our mandate of continuous learning for our staff to meet the demand for the Company's services. Improved efficiencies are anticipated to contain the pace of increase in expenses in the future.

To maintain the high level of service that differentiates the Company from our competitors, we continually invest in training and tools to increase efficiency and service levels in our operations. This will contribute to improved customer satisfaction and ultimately, shareholder value.

TechCon

The Company, as part of its marketing program, held its sixth annual Tech Conference (TechCon 2023) in October to coincide with Cyber Security Month. This was a hybrid event under the theme "RESILIENCE: Building Resilient Cyber Infrastructure Strategies for the Digital Age". This was a one-day event with speakers on current and relevant topics in the marketplace, featuring speakers from the North American and Caribbean marketplace along with our Jamaican counterparts in the security landscape. The advertising and marketing spend, though slightly increased from the prior year, provided information on industry hot topics to improve market awareness of our products and services.

Liquidity & Asset Position

tTech experienced an increase in its Total Net Asset value of $20.5 Million, an increase of 9.4% from the prior year. This resulted from increases in our net current assets of $21.2 Million and a decrease in our net non-current assets of $0.7 Million. This is represented by increases in our contract assets, trade and other receivables, investments, government securities, accounts payable and contract liabilities and was balanced by decreases in inventories, cash and bank balances, and property and equipment.

The Company's profits were $20.5 Million for the year compared to a loss of $22.8 Million in 2022, unappropriated profit increased to $187.7 Million at year end resulting in a Shareholder's equity of $239.4 Million compared to $218.9 Million in 2022.

Risk Management

The company employs both internal and external risk management practices. Effective management of these risks is necessary as stronger risk governance supports stronger corporate governance and the continued success of the company. The Company's Board of Directors has the responsibility for ensuring that a robust risk management framework exists. The management team is responsible for implementing the measures to mitigate identified risks.

tTech has a strong Corporate Governance structure which supports tTech's risk management practices, to mitigate the possibility of loss from the different types of risk exposures. The company has the appropriate insurance coverage to mitigate the risk of loss from disruption to business activities as a result of natural disasters, accidents, or equipment/system failures. Annual reviews are carried out by members of the management team to assess the adequacy of coverage, and adjustments are made, where necessary, to ensure any exposure is at an acceptable level.

Market Risk

These risks mainly arise from changes in foreign currency exchange rates, and interest rates, as well as political and economic risks. To mitigate these risks, the Finance team ensures there is a diversified mix of assets in the portfolio, with at least 60% of the portfolio held in foreign currency. Where possible, the team endeavours to maintain a mix of variable and fixed-rate interest-bearing instruments. The company's revenues were impacted in 2023 by the fluctuations in the JA$:US$ foreign exchange rates which also affected input costs along with supply chain challenges. The impact of foreign exchange rates is closely monitored to determine and manage the business risk and impact.

Credit Risk

The Finance team reviews information on companies and governments before deciding to invest in their debt securities and will choose sound financial institutions through which to make these investments to reduce the exposure to credit risk. Our credit risk also covers our customer sales process to assist in managing and maintaining our accounts receivable portfolio.

Liquidity Risk

Through regular cash forecasting, the finance team is kept aware of financial obligations and maintains the maturity profile of investments to ensure adequate liquid assets are available, as required for operational efficiency.

Operational Risk

Operational risk is internal and exists in the way the company carries out its decisions. One of the ways operational risk is mitigated is via our governance structure. The management team also reviews other risk areas such as staff retention, technology, sales, supply chain, competition, and product development.

We manage these risks with standard operating procedures to minimize the possibility of people and process failures, along with the use of insurance to protect the business. For other risks, we have planning for contingencies to reduce downtime, damage to our reputation and loss of revenue.

Outlook for 2024

In 2024, the Company will continue to focus on its commitment to delivering shareholder value through strategic growth, operational excellence, and customer-centricity. We remain steadfast in our pursuit of excellence and look forward to benefiting from the investment in our people amidst the demand for specialized skills and expertise in the marketplace.

We expect growth in revenues resulting from increased uptake in our Security Services and growth in our Managed Infrastructure Services while lowering our operating expenses as a percentage of revenue.

As we look ahead, we foresee several opportunities in continued focus on our customers to drive repeat business, enhancing our offerings in Cybersecurity to address evolving threats, and leveraging technological innovation, tools and solutions with emerging technologies such as AI (Artificial Intelligence).

We continue to explore opportunities for new partnerships while exploring new ways to leverage technology to automate routine tasks and increase capacity within our team. We are focused on managing operational expenses while improving our service levels and competitiveness. The net effect of these will result in increased profitability for the company, its staff and its stakeholders.

“We expect growth in revenues resulting from increased uptake in our Security Services and growth in our Managed Infrastructure Services while lowering our operating expenses as a percentage of revenue.”

Five-Year Financial Review

J$ '000	2019	2020	2021	2022	2023
INCOME STATEMENT					
Revenue	340,365	359,481	392,160	374,221	463,483
Other Income, gains and losses	6,294	14,399	17,170	-1,311	4,302
Finance Income	1,554	1,726	1,938	2,690	3,530
Finance Cost	-2,471	-2,393	-2,286	-2,090	-1,905
Operating Expense (excl. Investment Financing Cost)	-320,984	-350,732	-400,806	-397,603	-448,847
Normalized Net profit before Tax	24,758	22,481	8,176	-24,093	20,563
Net Profit before Tax	24,758	22,481	8,176	-24,093	20,563
Taxation	-	-	45	1,224	-44
Net Profit being Total Comprehensive Income	24,758	22,481	8,221	-22,869	20,519

BALANCE SHEET	2019	2020	2021	2022	2023
Non-Current Assets	72,420	69,837	46,712	38,505	34,918
Current Assets	220,317	247,409	267,184	250,328	286,088
Total Assets	292,737	317,246	313,896	288,833	321,006
Current Liabilities	46,558	50,122	46,129	46,111	60,632
Non-Current Liabilities	29,436	27,900	25,940	23,764	20,897
Total Liabilities	75,994	78,022	72,069	69,875	81,529
Net Assets	216,743	239,224	241,827	218,958	239,477

OTHER INFORMATION	2019	2020	2021	2022	2023
Fixed Assets	3,102	12,898	12,947	12,742	10,313
Working Capital	173,759	197,287	221,055	204,217	225,456
Accounts Receivable	43,136	71,789	68,433	78,344	93,702
Operating Expenses (less Technical Fees & Investing Finance Cost)	225,813	236,739	182,362	171,377	189,290
Technical Fees/Direct Costs	95,171	113,993	218,444	226,226	259,557

human resources

> Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.
>
> \- Andrew Carnegie

Employee experience and team development are foundational elements in cultivating a successful organizational culture.

Andrew Carnegie once said, 'Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results.'

This sentiment underscores the importance of fostering a collaborative and inclusive environment where employees can thrive individually and contribute collectively to the organization's goals. Investing in employee experience and team development not only enhances organizational performance but also strengthens bonds among team members, leading to a more engaged and motivated workforce.

In the dynamic landscape of today's business world, organizations must recognize that their most valuable assets are not their products, services, or technology, it's their people. The success of any company hinges on the collective efforts, talents, and dedication of its workforce. As we navigate the ever-evolving needs of the modern workforce, we find ourselves at a pivotal juncture, adapt or be left behind.

At our core, we believe in the power of people. Our organization thrives because of the individuals who contribute their skills, passion, and commitment. We understand that the workforce is not static; it's a living, breathing entity that evolves alongside societal changes, technological advancements, and shifting expectations.

Our Guiding Principles

Our core values serve as the compass that directs our actions, decisions, and interactions. They guide us in our quest to achieve excellence and drive us to uphold the highest standards of integrity, respect, and collaboration. These values are not just words on paper; they are the foundation of who we are and how we operate as a team.

We Care About People: This underscores our genuine concern for the well-being, growth, and fulfilment of every team member. When we care about people, we create an environment where everyone feels valued and supported.

We Do What It Takes: Our commitment to excellence drives us to go above and beyond. We tackle challenges head-on, adapt swiftly, and persistently seek solutions. When faced with obstacles, we do not shy away; we rise to the occasion.

We Are Open and Honest: Transparency is the bedrock of trust. We communicate openly, share information, and foster a culture of integrity. Honesty builds bridges and strengthens relationships within our organization.

We Have Each Other's Back: As a family, we stand united. We support each other, celebrate victories together, and lend a helping hand during setbacks. Our collective strength lies in our unwavering support for each other.

We Are Continuously Improving:
Complacency has no place here. We embrace change, learn from experiences, and constantly seek ways to enhance our processes, skills, and outcomes. Improvement is not an option; it's our mandate.

Our Core Purpose – Inspire, Achieve, and Make a Difference:
Our raison d'être is clear, to inspire greatness, achieve remarkable milestones, and leave a positive imprint on the world. We don't settle for mediocrity; we strive for excellence. Our purpose transcends mere profit margins; it is about leaving a legacy that resonates beyond our balance sheets.

TEAM DEVELOPMENT

Our focus throughout 2023 centred on team development. We know that investing in our employees' growth pays dividends not only for them but also for our organization. Here's how we nurtured our teams:

Leader & Manager Effectiveness:

Our managers participated in leadership development coaching and training programs. We believe that effective leadership cascades throughout the organization, impacting every team member. By enhancing management capabilities, our leaders empower their teams, foster collaboration, and drive results.

Functional Knowledge Development of Technical Staff:

Our technical team immersed themselves in broadening their knowledge across various technology domains. Proficiency in on-the-job performance is essential for staying ahead in a rapidly evolving landscape. By equipping our technical staff with the latest insights, we ensure they remain agile and adaptable.

> "We recognize that a healthy workforce is a productive one. As such, a holistic approach to well-being is essential for the sustained performance of our team."

EMPLOYEE EXPERIENCE

Our commitment to employee experience remains unwavering. We understand that engaged employees are the heartbeat of our organization. To maintain a highly motivated and connected team, we focus on Wellbeing & Recognition. By strengthening the Mental and Emotional connection, we foster an environment where employees feel emotionally connected to their work, colleagues, and the organization. As well as providing regular feedback, recognition, and opportunities for growth contribute to a positive employee experience.

We recognize that a healthy workforce is a productive workforce as such a holistic approach to wellbeing is essential for sustained performance of our team. Our Health and Wellness benefits includes access to health resources such as counselling, gym memberships and other programs that ensures our employees thrive physically and mentally. Flexible working hours, remote work opportunities, reimbursement for internet access at home, personal & birthday days off, and paternity leave are just some of the ways we ensure our team can function, while taking care of the things that matter when life happens.

In 2023, we conducted several wellness initiatives to promote the overall well-being of our employees:

Wellness Week: A week-long event focusing on all aspects of wellness, providing resources and activities to promote physical and mental health.

Neck & Back Massages: All staff members were offered neck and back massages to alleviate stress and promote physical well-being.

Yoga: An introduction to Yoga class was organized to help employees improve their flexibility, strength, and stress levels.

Financial Wellness Session: Sessions on financial wellness were conducted to educate employees about financial planning, management and investing.

Physical Health Check-up: Wellness checks were offered to staff members through our insurance company, where nurses came onsite and conducted examinations such as blood pressure, body mass index, blood sugar and eye checks.

Mental Health Resources: We provide resources and support for mental health, recognizing its importance in overall well-being.

REWARD & RECOGNITION

We are committed to providing a rewarding, positive and supporting environment for our team to strive and develop. Appreciation fuels our collective drive as such we celebrate achievements big and small. Our recognition programs and incentives motivate our team to excel. As such, we continue to recognize and reward our team members throughout the year for delivering insanely good customer experiences in their daily interactions with our internal & external customers.

In 2023, we implemented a new performance incentive program, Pay for Performance (P4P), designed to drive performance and improve recognition. This program has been a significant addition to our HR initiatives and has been instrumental in fostering a high-performance culture within our organization.

Performance Incentive Program P4P Implementation

The primary objective of the P4P program is to align the interests of the employees with the overall goals of the organization. It aims to incentivize and reward employees based on their individual performance and contributions to the company's success.

The P4P program uses a comprehensive set of performance metrics that are tailored to each role within the organization. These metrics are designed to measure not just the outcomes but also the efforts and skills that lead to those outcomes.

The P4P program has significantly improved recognition within the organization. High-performing employees are rewarded for their efforts, which boosts morale and encourages a culture of excellence.

Since its implementation, the P4P program has shown positive results. There has been a noticeable improvement in overall performance, employee engagement, and job satisfaction. It has not only driven performance but also bolstered our culture of recognition and reward within the organization and we look forward to its continued success in the coming years.

Celebrating Excellence

Acknowledgment motivates and inspires, and we believe in acknowledging greatness as such throughout the year, we recognized our team members for delivering insanely good customer experiences through public recognition in staff meetings and internal communication channels, we publicly applauded exceptional efforts. Whether it was a simple "thank you" or a tangible reward, we celebrated our team's dedication. Their commitment fuels our vision of achieving greatness.

> "High-performing employees are rewarded for their efforts, which boosts morale and encourages a culture of excellence."

System Admin Day

First Runner-up – Mr. Barrington Soares

First Runner-up – Mr. Krishna Scarlett

Some of the special celebrations for the team this year included: System Admin Day, Admin Professionals Day, Special Recognition Award Ceremony, Employee of the Year, and Long Service Award. Additionally, our Special Recognition Award Ceremony celebrated outstanding contributions, reinforcing our core values.

System Administrator Day

We prioritize continuous recognition, whether it's acknowledging individuals or celebrating special occasions for our staff. The Technical Team was honoured and treated to lunch on July 28th, System Admin Day. This event brought the team together over a meal, fostering lively conversation, laughter, and memorable moments captured in photos. The day served as a tribute to their steadfast contributions to the company's ongoing growth and expressed our deep appreciation for their hard work and dedication.

Special Recognition Awards

The team remains steadfastly committed, even in challenging times, consistently going above and beyond to ensure both internal and external customers experience the IT peace of mind we strive for. Amidst a particularly tough period for the company, the team dedicated countless hours, enduring sleepless nights, tirelessly resolving issues to the satisfaction of all involved. Their exceptional efforts were met with profound gratitude and recognition, culminating in a substantial reward for their unwavering dedication and hard work.

Administrative Professionals Day

We make it a priority to acknowledge and honour special occasions dedicated to both departments and individuals. On April 26th, we celebrated Administrative Professionals Day, a time to recognize and commend the outstanding contributions of our Admin Assistant. Her dedication to both our customers and staff has been instrumental in ensuring the smooth operation of our daily processes.

Employee of the Year 2023 – Mr. Jaleel Henry

Employee of the Year Award

Our annual Employee of the Year Award is given to a team member who demonstrates the true tTech Spirit which is captured by our Credo and guides the way we should work, both with our customers and partners as well as with each other. Each employee that meets the criteria for selection is given an equal opportunity to be selected as the Employee of the Year through the voting process.

Our Employees showed that they are committed to tTech and went beyond expectations, which resulted in not one, nor two, but four outstanding employees vying for employee of the year, and we made sure that their hard work and dedication did not go unnoticed.

Long Service Award

We also recognized our long-serving employees. They have stuck with tTech through its high and low points, helping to rebuild, maintain and improve its dependable and innovative nature.

Commitment to Transparency and Engagement

The commitment to promoting employee well-being and involvement extends to establishing a workplace culture where leaders are easily accessible for supporting employees and offering feedback. Initiatives like HR Week were introduced to recognize HR professionals, with a focus on reinforcing our commitment to strengthening relationships and embracing transparency.

In addition to celebrating the contributions of our dedicated and capable HR Team, the HR Team organized various sessions for the team geared towards sharing information, addressing queries, attentively listen to any concerns and actively seek solutions. Additionally, employees were encouraged to provide suggestions for improving HR processes or the organization. Some of the activities included:

HR Week Celebrations - October 8-13, 2023

Getting to know you: The HR Team reintroduced themselves to the team, providing details about their backgrounds, achievements, personal lives, and preferences.

HR Wrap Session: Employees were invited to have a discussion session with the HR Team, giving the opportunity to speak on any topic of choice.

Learning about HR roles and responsibilities: We shared some roles and responsibilities the HR department performs and brought clarity to staff on what the day-to-day running of the department included.

HR Trivia: HR week closed with exciting, informative, and interactive trivia from general knowledge, questions from the "get to know you session," to information about HRMAJ.

Team Bonding: Strengthening Connections

At tTech, we recognize that a highly engaged team is the cornerstone of our success. Our commitment to fostering a strong mental and emotional connection among employees remains unwavering. Throughout the year, we organized engaging activities such as Games Night, where laughter and friendly competition brought us closer.

We remain committed to improving our employees' experiences by keeping them engaged. This year we had the opportunity to get together as a team to break from the monotony of work through several team bonding activities including:

Jamaica Day – March 3, 2023

As Jamaica Day was commemorated across the nation, tTech enthusiastically joined the celebration. Employees immersed themselves in a day filled with trivia and exciting prizes, testing their knowledge on Jamaican history, proverbs, and interesting facts.

Rep Your School & Sports Day – March 31, 2023

Team members emerged, adorned in their vibrant hues, embodying the spirit of their alma mater as they engaged in various sporting activities, demonstrating not only their prowess and fitness but also their lively and playful nature.

Best Dressed Chicken 5k Group Pic

Games Night – June 16, 2023

At tTech, we don't believe in all work and no play. Our regular game nights have become an essential part of our culture, providing our staff with a much-needed opportunity to unwind, bond, and enjoy themselves. Whether it's a strategic game like dominoes or cards, challenging their cognitive abilities, or something physical like twister, testing their flexibility and endurance, our staff embrace every moment with enthusiasm. We're committed to fostering an environment where everyone can be themselves, work hard, and have a great time doing it.

Christmas Breakfast Treat by Management – December 1, 2023

tTech marked its 17th Anniversary in grand style. The Management Team, expressing gratitude for the unwavering support received over the years, generously treated the staff to a delightful morning filled with delicious treats. Employees enjoyed lively interactions, shared hearty laughter, engaged in trivia about tTech's history, and had the chance to win fantastic prizes.

Annual Summer Trip and Annual Christmas Luncheon & Awards Ceremony

Our two flagship events the Annual Summer Trip and the Annual Christmas Luncheon provided our team with much needed opportunities to unwind, have fun, and build lasting bonds. These gatherings allowed us to step away from work monotony and celebrate our shared achievements.

Our Annual Christmas Luncheon was more than just a festive meal it was a celebration of our tTech family. Our team immersed themselves in exciting games, fostering camaraderie and teamwork. Whether it was a trivia challenge or a dance-off, everyone participated wholeheartedly.

In the spirit of giving, we exchanged thoughtful gifts. It was heartwarming to see colleagues' express appreciation and gratitude. These small gestures strengthen our bonds.

The rhythm of music brought us together. We danced, laughed, and celebrated our collective achievements. The joy was contagious and as we reflected on the year's accomplishments, we raised our glasses to resilience, growth, and shared victories.

CONCLUSION

In 2023, our journey was not only marked by growth and resilience but also by an unwavering commitment to enhancing employee experience and fostering team development. Throughout the year, we placed a significant emphasis on these aspects, resulting in several key achievements.

One of the main highlights was the deliberate effort to broaden our talent pool. We implemented targeted recruitment strategies to attract diverse candidates, ensuring that our teams were reflective of the skillsets needed for effective delivery of our business. This not only enriched our organizational culture but also brought in fresh perspectives and ideas.

Another area of focus was the enhancement of management skills and the development of leaders within our organization. We conducted tailored leadership development programs that equipped our managers with the tools and knowledge needed to lead effectively, foster collaboration, and drive performance.

Furthermore, we prioritized rewarding and recognizing our team members for their hard work and dedication through performance bonuses, awards, or other forms of recognition, we ensured that our employees felt valued and appreciated for their contributions.

In 2024, our commitment to enhancing the capabilities of our technical staff, developing leaders, and improving management skills and practices remains a priority. We will continue to invest heavily in comprehensive training programs and certifications to empower our employees.

Through these initiatives, we aim to enhance the skill sets of the team and enable them to perform at their best, ultimately driving our organization's success. Our focus on continuous improvement reflects not only reflects our core value but our dedication to ensuring that our employees have the knowledge and tools they need to excel in their roles and contribute meaningfully to our collective goals.

Overall, our commitment to employee experience and team development in 2023 has laid a solid foundation for our future success. As we move forward, tTech Limited will continue to champion our core values, nurture our teams, and create an environment where every individual thrives.

Together, we will continue to inspire, achieve, and make a difference.

Empowering Our Community For Excellence

We believe that true success is measured not only by our business achievements, but also by our commitment to social responsibility. Driven by a profound sense of duty to uplift the Downtown Kingston community we call home, support our youth, and empower those we serve, with every action we take, we strive to make a meaningful difference - embodying the essence of humanity and social responsiveness.

With every act of service, tTech Limited has committed to impacting Jamaica positively, aligning with our vision of delivering ultimate customer satisfaction while fostering growth and opportunity. Our CSR initiatives in 2023 embodied our core values of caring about people, continuous improvement, and doing what it takes to make a difference.

Adopting Reddie Children's Home

In 2023, the tTech team embarked on adopting the Reddie Children's Home. This decision was deeply rooted in our core mandate of youth development and making a lasting difference in their lives. We recognize the importance of providing love, support, and stability to those in need, especially vulnerable children. By adopting Reddie Children's Home, we sought to create a nurturing environment where every child feels valued, supported, and empowered to reach their fullest potential. Our ongoing commitment to the Home reflects our belief that every child deserves a safe and loving environment to thrive, and we are honoured to play a part in shaping their brighter future.

A Labour of Love

On Labour Day, we launched a refurbishment project at Reddie Children's Home, providing much-needed supplies and refurbishing parts of the premises. We are proud to continue support for Reddie Children's Home, enriching the lives of its residents.

Building a Brighter Future

In September, we donated a library to the Home, equipped with shelving crafted sentimentally by CEO Norman Chen, furnished with books and other educational material, courtesy of our tTech staff, and provided new seating and storage for ease and comfort. This initiative, done in celebration of Literacy Month, provided the children with additional access to educational resources and fostering a love for learning. It underscores our belief in the power of education and our commitment to making a lasting impact on the lives of young people.

Bringing Joy

During the Christmas holiday, we hosted a festive Christmas Treat for the children at Reddie Children's Home where, bearing gifts and supplies, the team spread joy and warmth to the children - with storytelling and quality time.

Investing in Youth Development

In July 2023, tTech teamed up with the Grace and Staff Community Development Foundation for its annual essay competition to empower local youth to share their thoughts on societal issues. tTech was happy to provide the top performers in the competition with digital tablets, empowering them to further their education and enhance their skills.

Empowering Youth through Career Education

To celebrate Child's Month in May, tTech collaborated with the Youth Education Association (YEA) to host a virtual career seminar, providing valuable insights for highschool-aged students preparing to enter the working world. Our commitment to youth development and education was evident as we continue to foster partnerships and support initiatives that provide essential resources and mentorship opportunities for Jamaican youth.

> As we reflect on our CSR initiatives in 2023, we are proud of the impact we have made and remain committed to our mission of inspiring, achieving, and making a difference.

AUDITED FINANCIAL STATEMENTS

deliver.

The benefits of our security-first approach are evident in our sustained growth, resilience amidst challenges, and the unwavering trust of our stakeholders.

Certified Public Accountants | Chartered Accountants | Consultants

Leary Mullings
FCA, FCCA, CPA, MBA
Senior Partner

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INDEPENDENT AUDITOR'S REPORT

To the members of
tTECH LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of tTech Limited (the "Company"), which is comprised of the statement of financial position as at December 31, 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") and the requirements of the Jamaican Companies Act (the "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 *Auditor's Responsibilities for the Audit of the Financial Statements section of our report*. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). 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.

Key audit matters

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

Cont. /2

Independent Auditor's Report (cont'd)

To the members of
tTECH LIMITED

Key audit matters (cont'd)

Key audit matters	How the matter was addressed in our audit
1) Revenue from contracts with customers Note 2c (i) [d], Use of estimates and judgements under the section "Revenue recognition under IFRS 15", details Management's judgements, when applying the five (5) step approach outlined by the standard. The standard also requires management to identify the performance obligations in a bundled sale of equipment and installation services and determine the timing of satisfaction of the performance obligations. It also requires management to determine whether it acts as a principal or agent in executing the contracts and if there are significant financing components included in the promised payment amounts.	We have obtained and reviewed management's assessment and understood the underlying assumptions used to support the calculations as required by IFRS 15. We also evaluated the appropriateness of the Company's revenue recognition policy in relation to the requirements of the standard. We reviewed management's computations and independently reviewed a sample of contracts and evaluated them in accordance with the five (5) step approach as follows: i. We obtained and reviewed signed contracts to validate that legitimate contract exist with customers, ii. We identified the relevant performance obligations as stipulated by the contracts, iii. We verified the transaction prices that are explicitly stated in the contracts associated with the relevant performance obligations, iv. We obtained and reviewed invoices on a sample basis, along with supporting reports confirming evidence of work carried out and performance obligations met. Additionally, where bundled services were offered, we assessed whether the transaction price should be allocated to each performance obligation, v. Based on the above, we verified that revenue was properly recognized in the correct period. We also assessed management's assertion that the Company acts as a principal for the equipment sold as they exercise control over the related assets, including warranties and software licenses, purchased from third parties and resold to customers. We also reviewed the disclosures for appropriateness in accordance with IFRS 15.

Cont. /3

Independent Auditor's Report (cont'd)

To the members of
<u>tTECH LIMITED</u>

Key audit matters (cont'd)

Key audit matters	How the matter was addressed in our audit
2) <u>Allowance for expected credit losses</u> As described in Notes 3 (g), 7, and 25, and in accordance with IFRS 9 – 'Financial Instruments', the Company applies the simplified approach to computing expected credit losses ('ECLs') on trade receivables and other related assets. The measurement of ECLs requires management to consider its historical credit loss experience and current business conditions, adjusted for forward-looking factors such as economic indicators, which may impact a debtor's ability to pay. The ECLs being recorded are therefore considered to be highly subjective.	Our audit procedures to address the key audit matter relating to allowance for expected credit losses included the following: • We evaluated the techniques and methodologies developed by the Company in order to estimate the ECLs, and assessed their compliance with the requirements of IFRS 9. • We assessed the reasonableness of the methodologies and assumptions applied, by validating the completeness of the inputs used to derive the loss rates, which are integral to the provision matrix used in determining the ECLs for trade receivables. • For financial assets classified as debt instruments, we corroborated management's assumptions with data from external sources, particularly with respect to the determination of whether there has been a significant increase in credit risk, probabilities of default and loss given default rates. We also assessed the adequacy of disclosures in the financial statements.

Other information

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

Cont. /4

To the members of
tTECH LIMITED

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 Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor's report. This description, which is located at pages 5-6, forms part of our auditor's report.

Report on additional matters as required by the 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 Act, in the manner required.

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

CrichtonMullings & Assoc.
CrichtonMullings & Associates
Chartered Accountants

Kingston, Jamaica
February 29,2024

Cont. /5

Independent Auditor's Report (cont'd)

To the members of
tTECH LIMITED

Appendix to the independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors 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.

Cont. /6

Independent Auditor's Report (cont'd)

To the members of
tTECH LIMITED

Appendix to the independent auditor's report (cont'd)

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate to 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 the Board of Directors, 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 auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

tTech Limited

Statement of Financial Position

As at December 31, 2023

	Note	2023	2022
		$'000	$'000
Current assets			
Inventories	**5**	**3,278**	5,680
Contract assets	**6**	**33,370**	20,695
Trade and other receivables	**7**	**109,310**	91,295
Investments	**8**	**30,409**	29,044
Government securities purchased under resale agreements	**9**	**85,951**	72,791
Cash and bank balances	**10**	**23,770**	30,823
		286,088	250,328
Current liabilities			
Accounts payable	**11**	**50,357**	41,335
Contract liabilities	**12**	**7,479**	2,493
Lease liability (current portion)	**13**	**2,796**	2,283
		60,632	46,111
Net current assets		**225,456**	204,217
Non-current assets			
Deferred tax asset	**14**	**4,621**	2,292
Property and equipment	**15**	**10,313**	12,742
Intangible asset	**16**	**346**	596
Right-of-use asset	**13**	**16,238**	19,226
Investments	**8**	**3,400**	3,649
		34,918	38,505
Non-current liability			
Long-term lease liability	**13**	**20,897**	23,764
Net non-current assets		**14,021**	14,741
Total net assets		**239,477**	218,958
Shareholder's equity			
Share capital	**17**	**51,727**	51,727
Retained earnings		**187,750**	167,231
Total equity		**239,477**	218,958

The financial statements on pages 7 to 43, were approved for issue by the Board of Directors on February 29, 2024 and signed on its behalf by:

Edward Alexander
Chairman

Norman Chen
Chief Executive Officer

The accompanying notes form an integral part of the financial statements

tTech Limited

Statement of Profit of Loss and Other Comprehensive Income

Year Ended December 31, 2023

	Note	2023	2022
		$'000	$'000
Revenue from contracts with customers	4	463,483	374,221
Direct costs	18	(259,557)	(226,226)
Gross profit		203,926	147,995
Administrative expenses	18	(160,066)	(144,701)
Other operating expenses	18	(29,224)	(26,676)
Other gains / (losses)	19	4,302	(1,311)
Operating profit / (loss)		18,938	(24,693)
Finance income		3,530	2,690
Finance cost		(1,905)	(2,090)
Profit / (Loss) before taxation		20,563	(24,093)
Taxation (charge) / credit	20	(44)	1,224
Net profit / (loss), being total comprehensive income / (expense) for the year		20,519	(22,869)
Net profit / (loss), attributable to owners		20,519	(22,869)
		$	$
Earnings / (Loss) per share	21	0.19	(0.22)

The accompanying notes form an integral part of the financial statements

tTech Limited

Statement of Changes in Equity

Year Ended December 31, 2023

	Share Capital $'000	Retained Earnings $'000	Total $'000
Balance at December 31, 2021	51,727	190,100	241,827
Net loss, being total comprehensive expense for the year	-	(22,869)	(22,869)
Balance at December 31, 2022	51,727	167,231	218,958
Net profit, being total comprehensive income for the year	-	20,519	20,519
Balance at December 31, 2023	**51,727**	**187,750**	**239,477**

The accompanying notes form an integral part of the financial statements

tTech Limited

Statement of Cash Flows

Year Ended December 31, 2023

	Note	2023 $'000	2022 $'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit / (Loss) after taxation		**20,519**	(22,869)
Adjustments for items not affecting cash resources:			
Allowance for expected credit losses	**18**	**14,632**	4,185
Depreciation - right-of-use asset	**13, 18**	**2,988**	3,009
Depreciation charge	**15, 18**	**6,320**	5,739
Amortization	**16, 18**	**467**	221
Dividend income	**19**	**(89)**	(87)
Foreign exchange (gain) / loss	**19**	**(2,219)**	2,448
Tax charge / (credit)	**20**	**44**	(1,224)
Depreciation in fair value of equity investments	**19**	**249**	987
Interest income		**(3,530)**	(2,690)
Interest expense - lease liability	**13**	**1,905**	2,090
Operating cash flows before movements in working capital		**41,286**	(8,191)
Decrease / (Increase) in operating assets:			
Inventories		**2,402**	(4,162)
Contract assets		**(12,675)**	5,642
Trade and other receivables		**(19,004)**	(8,736)
Increase / (Decrease) in operating liabilities:			
Accounts payable		**6,465**	1,201
Contract liabilities		**4,986**	(830)
Interest paid - lease liability		**(1,905)**	(2,090)
Cash used in operating activities		**21,555**	(17,166)
Taxation paid		**(306)**	(714)
Net cash provided by / (used in) operating activities		**21,249**	(17,880)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		**89**	87
Interest received		**3,318**	2,643
Additions to property and equipment	**15**	**(3,891)**	(5,534)
Additions to intangibles	**16**	**(217)**	(513)
Investments, net		**(14,276)**	6,699
Net cash (used in) / provided by investing activities		**(14,977)**	3,382
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability - principal portion	**13**	**(2,354)**	(1,852)
Net cash used in financing activities		**(2,354)**	(1,852)
NET INCREASE / (DECREASE) IN CASH AND BANK BALANCES		**3,918**	(16,350)
Effect of exchange rate on cash and cash equivalents		**2,189**	(2,457)
CASH AND BANK BALANCES - Beginning of the year		**103,614**	122,421
CASH AND BANK BALANCES - End of the year		**109,721**	103,614
REPRESENTED BY:			
Cash and bank balances	**10**	**23,770**	30,823
Short term investments	**9**	**85,951**	72,791
		109,721	103,614

The accompanying notes form an integral part of the financial statements

1. IDENTIFICATION

tTech Limited (the "Company) is a limited liability company, which is incorporated under the Jamaican Companies Act and is domiciled in Jamaica with registered office located at 69½ Harbour Street, Kingston, Jamaica.

The principal activity of the company is that of information technology service providers and consultants. On 7 January 2016, the Company's ordinary shares were listed on the Junior Market of the Jamaica Stock Exchange.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of Compliance

The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act (the "Act").

The financial statements have been prepared under the historical cost basis and are expressed in Jamaican dollars, unless otherwise indicated.

The preparation of financial statements in conformity with IFRS and the Act requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year then ended. Actual results could differ from these estimates.

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

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Changes in accounting standards and interpretations

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Company has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following interpretations and amendments are relevant to its operations:

- *IAS 1 'Presentation of Financial Statements - Amendment', issued February 2021*
  Effective for periods commencing on or after 1 January 2023
- *IAS 8 'Changes in Accounting Estimates and Errors - Amendment', issued February 2021*
  Effective for periods commencing on or after 1 January 2023
- *IAS 12 - 'Deferred Tax' - Amendment', issued May 2021*
  Effective for periods commencing on or after 1 January 2023
- *IFRS Practice Statement 2 'Making Materiality Judgements' - Amendment', issued February 2021*
  Effective for periods commencing on or after 1 January 2023

The following new standards, amendments and interpretations, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Company's future financial statements:

- *IAS 1 ' Presentation of Financial Statements - Amendment', issued January 2022*
  Effective for periods commencing on or after 1 January 2024
- *IAS 21 'The Effects of Changes in Foreign Exchange Rates - Amendments', issued August 2023*
  Effective for periods commencing on or after 1 January 2025
- *IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information', issued June 2023*
  Effective for periods commencing on or after 1 January 2024

The Board of directors anticipate that the adoption of the standards, amendments and interpretations, which are relevant to the Company in future periods is unlikely to have any material impact on the financial statements.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(c) Use of estimates and judgements

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with material uncertainty that have a significant effect on amounts in the financial statements or that have a significant risk of material adjustment in the next financial year are set out below:

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.

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

(a) 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.

(b) Allowance for expected credit losses

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.

(c) Depreciable assets

Estimates of the useful life and the residual value of property and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Company applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(c) Use of estimates and judgements (cont'd)

(i) Critical accounting judgements in applying the Company's accounting policies (cont'd)

(d) Revenue recognition under IFRS 15- Revenue from contracts with customers
The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- *Identifying performance obligations in a bundled sale of equipment and installation services*

The Company determined that both the equipment and installation are combined and not sold separately except on rare occasions where a customer only requires either the equipment or installation services alone. The Company also determined that the promises to transfer the equipment and to provide installation are grouped within the context of the contract. The equipment and installation are inputs to a combined item in the contract.

The Company is providing a significant integration service because the presence of the equipment and installation together in this contract result in additional or combined functionality. In addition, the equipment and installation are highly interdependent or highly interrelated, because the Company would not be able to transfer the equipment if the customer declined installation.

- *Determining the timing of satisfaction of installation and maintaining equipment services*

The Company concluded that revenue for installation, maintaining the equipment and information technology system services is to be recognized over time because the customer simultaneously receives and consumes the benefits provided by the Company.

The fact that another entity would not need to re-perform the installation that the Company provided demonstrates that the customer simultaneously receives and consumes the benefits of the Company's performance in real time as the service is being carried out. The Company determined that the input method is the best in measuring the progress of the installation services because there is a direct relationship between the Company's effort (i.e., labour hours incurred) and the transfer of service to the customer.

The Company recognizes revenue on the basis of the labour hours expended relative to the total expected labour hours to complete the service, and the number of equipment units serviced.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(c) Use of estimates and judgements (cont'd)

(i) Critical accounting judgements in applying the Company's accounting policies (cont'd)

(d) Revenue recognition under IFRS 15- Revenue from contracts with customers (cont'd)

- *Principal versus agent considerations*

The Company enters into contracts with its customers to acquire, on their behalf, equipment produced by foreign suppliers. Under these contracts, the Company provides procurement services (i.e., coordinating the selection of suitable suppliers and managing the ordering and delivery of the imported equipment).

The Company determined that it controls the goods before they are transferred to customers, and has the ability to direct the use of the equipment or obtain benefits from the equipment. The following factors indicate that the Company controls the goods before they are transferred to customers. Therefore, the Company determined that it is the principal in these contracts.

(i) The Company is primarily responsible for fulfilling the promise to provide the specified equipment. i.e., is responsible for ensuring the equipment is acceptable and meets the customers' specification.

(ii) The Company has inventory risk before the specified equipment has been transferred to the customer.

(iii) The Company has discretion in establishing the price for the specified equipment or service.

(e) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the IBR used by the Company is the lending rate offered by its banker for similar secured borrowing.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(c) Use of estimates and judgements (cont'd)

(ii) Key assumptions and other sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

(a) Fair value estimation

The Company's investments and government securities purchased under resale agreement are measured at fair value in the financial statements.

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. Market price is used to determine fair value where an active market (such as a recognized stock exchange) exist as it is the best evidence of the fair value of a financial instrument.

The fair value measurement of the Company's financial and non-financial assets and liabilities utilizes market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique are utilized.

IFRS requires disclosure of fair value measurements by level using the following fair value measurement hierarchy:

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

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item.

Transfer of items between levels are recognized in the period they occur.

The Company measures financial instruments (note 25) at fair value.

The fair values of financial instruments that are not traded in an active market are deemed to be determined as follows:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, investments and payables.

3. MATERIAL ACCOUNTING POLICIES

(a) Property and equipment

All property and equipment held for use in the supply of services, or for administrative purposes are recorded at historical or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Company and its cost can be reliably measured.

The cost of day-to-day servicing of property and equipment is recognized in the statement of comprehensive income as incurred.

Property and equipment are depreciated on the straight-line basis over the estimated useful lives of the assets.

The depreciation rates are as follows:

Furniture and equipment	10%
Computer equipment	33.33%

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost and carried at cost less any accumulated amortization and accumulated impairment losses. Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (three to five years).

(c) Government securities purchased under resale agreements

Securities purchased under resale agreements ("reverse repos") are short-term transactions whereby an entity buys securities and simultaneously agrees to resell the securities on a specified date and at a specific price. Title to the security is not actually transferred unless the counter-party fails to comply with the terms of the contract.

Reverse repos are accounted for as short-term collateralized lending, classified as debt instruments at amortized cost.

The difference between the sale and repurchase considerations is recognized on an accrual basis over the period of the transaction and is included in interest income.

(d) Cash and bank balances

Cash and bank balances comprise cash and bank balances and are measured at cost.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Revenue recognition

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- *Revenue from contracts with customers*

  Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.
  The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2 (c) [i] (d). Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes.

- *Sale of equipment*

  Revenue from sale of equipment is recognized at the point in time when control of the asset is transferred to the customer, generally due within 10 days from delivery of the equipment. The transaction price is specified in the contract.

- *Installation services*

  The performance obligation is satisfied over-time and payment is generally due upon completion of installation and acceptance of the customer

- *Contracts for bundled sales of equipment and installation*

  Installation services are in instances bundled together with the sale of equipment to a customer. The Company accounts for the equipment and installation service as one deliverable within bundled sales with specified transaction prices for equipment and installation services.

  Accordingly, the Company allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services.

  The Company recognizes revenue from installation services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from the sale of the equipment are recognized at a point in time, generally upon delivery of the equipment.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Revenue recognition (cont'd)

- *Procurement services*

The Company is a principal and records revenue on a gross basis as it controls the promised goods or services before transferring them to the customer. The performance obligation is satisfied, and payment is due upon receipt of the goods or services by the customer.

- *Warranty*

For all phone instruments sold, one-year warranty is provided to customers for manufacture defects that may have existed at the time of sale. The warranty is not a separate performance obligation on the part of the Company as it is directly charged to the manufacturer. The extent of the performance obligation for the Company under the warranty service agreement is to transfer the defective part/unit back to the manufacturer and facilitate a transportation of a replacement part/unit.

The performance of the obligation is satisfied upon delivery of finished goods is generally due before, or at the time of, delivery.

(f) Taxation

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

(i) Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates in effect for the reporting period, and any adjustments to income tax payable in respect of previous years.

(ii) Deferred income tax

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

Deferred tax asset amount is recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Financial instruments

Financial instruments include transactions that give rise to both financial assets and financial liabilities.

Financial assets and liabilities are recognized on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities (except for financial assets and financial liabilities at fair value through profit or loss where such costs are recognized immediately in profit or loss), as appropriate, on initial recognition.

In these financial statements, financial assets comprise cash and bank balances, certificate of deposits, repurchase agreements, trade and other receivables. Financial liabilities comprise accounts payable, accruals and contract liabilities.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cashflows 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.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Financial instruments (cont'd)

Financial assets (cont'd)

Subsequent measurement

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes certificate of deposits, trade and other receivables, repurchase agreements and cash and bank balances.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

Impairment

The Company recognizes an allowance for expected credit losses (ECLs) on the financial instruments measured at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12- month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Financial instruments (cont'd)

Financial liabilities

Initial recognition and subsequent measurement

The Company's financial liabilities, comprising accounts payable, accruals and contract liabilities, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derecognition

The Company derecognizes financial liabilities when the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(h) Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the Company operates (its functional currency).

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency, the Jamaican dollar, are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items, are included in profit or loss for the period.

(i) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(j) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(k) Related party identification

A party is related to the Company if:

(i) directly or indirectly the party:
- controls, is controlled by, or is under common control with the Company;
- has an interest in the Company that gives it significant influence over the Company; or
- has joint control over the Company.

(ii) the party is an associate of the Company

(iii) the party is a joint venture in which the Company is a venturer;

(iv) the party is a member of the key management personnel of the Company

(v) the party is a close member of the family of an individual referred to in (i) or (iv) above

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v) above.

(vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any company that is a related party of the Company.

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

(l) Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset, or Company of operating assets, exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) This represents fees for technical services rendered and equipment sold.

(b) The following are entity-wide disclosures:

(i) Geographical areas

There are no geographical segments as all revenues are attributed to the Company's country of domicile.

(ii) Major customers

Revenues from transactions with two customers, which amounted to $251 million (2022: $220 million) were greater than 10 per cent of the Company's revenues accounting for 51% of revenue (2022: 58%)

(c) Performance obligations

(i) Equipment

The performance obligation is satisfied upon delivery of the equipment and payment is generally due within 10 days from delivery.

(ii) Warranty

Warranties are provided for one year from the date of purchase on equipment purchased on behalf of the customers. The warranty is not a separate performance obligation on the part of the company as it is directly charged to the manufacturer.

(iii) Installation services

The performance obligation is satisfied over-time and payment is generally due upon completion of installation and acceptance of the customer. In some contracts, short-term advances are required before the installation service is provided.

(iv) Procurement services

There are contracts with customers to acquire equipment on their behalf. Payment is due within 10 days from delivery after the performance obligation has been satisfied.

Set out below is the amount of revenue recognized from:

	2023 **$'000**	2022 $'000
Amounts included in contract liabilities at the beginning of the year	**2,493**	3,323
Performance obligations partially satisfied in previous years	**7,479**	3,930

5. INVENTORIES

	2023 $'000	2022 $'000
Equipment for resale	**3,278**	5,680

Inventory represents purchases of equipment for resale. During 2023, $41.18 million (2022: $36.65 million) was recognized as an expense in cost of sales related to inventory purchases.

6. CONTRACT ASSETS

	2023 $'000	2022 $'000
Contract assets	**35,299**	22,135
Less: Expected credit loss	**(1,929)**	(1,440)
	33,370	20,695

Contract assets represent purchases of equipment including related third-party charges and licenses based on contracts with customers, to be billed at a later date.

7. TRADE AND OTHER RECEIVABLES

	2023 $'000	2022 $'000
Trade receivables	**121,255**	92,017
Less: Allowance for expected credit losses (i)	**(27,553)**	(13,673)
Net trade receivables	**93,702**	78,344
Withholding tax	**4,710**	3,867
Prepayments	**6,114**	3,511
Other	**4,784**	5,573
	15,608	12,951
	109,310	91,295

Trade receivables are non-interest bearing and are generally on terms of 10 days. Included in receivables are debtors with the carrying amount of $50.15 million (2022: $36.18 million) which are past due but not impaired at the reporting date (Note (7) (iii).

7. TRADE AND OTHER RECEIVABLES (CONT'D)

(i) Movement in provision for expected credit losses:

	2023 $'000	2022 $'000
Balance at the beginning of the year	**13,673**	10,778
Provision for expected credit losses	**13,880**	2,895
Balance at the end of the year	**27,553**	13,673

(ii) Ageing of impaired accounts receivable

	2023 $'000	2022 $'000
Over 365 days	**6,892**	5,051

(iii) Ageing of receivables that are past due but not impaired:

	2023 $'000	2022 $'000
31-60 days	**6,309**	6,738
61-90 days	**7,737**	4,069
91-180 days	**14,278**	16,270
181-365 days	**21,830**	9,041
	50,154	36,118

8. INVESTMENTS

	2023 $'000	2022 $'000
Financial assets measured at amortized cost:		
Certificate of deposits	**30,442**	29,321
Allowance for expected credit losses	**(293)**	(320)
	30,149	29,001
Interest receivable	**260**	43
	30,409	29,044
Financial assets measured at fair value through profit and loss:		
Quoted equity securities	**3,400**	3,649

8. INVESTMENTS (CONT'D)

Movement in provision for expected credit losses:

	2023	2022
	$'000	$'000
Balance at the beginning of the year	**320**	274
Provision for expected credit losses recognized	**(27)**	46
Balance at the end of the year	**293**	320

9. GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS

	2023	2022
	$'000	$'000
Reverse repurchases agreements	**86,903**	73,520
Allowance for expected credit losses	**(952)**	(729)
	85,951	72,791

Included in the government securities purchased under resale agreements are foreign currency repurchase agreements of US$421,063 (2022: US$409,373) As at 31 December 2023, the maturity dates on reverse repurchase agreements range from 30 days to 90 days (2022: 30 days to 90 days) and interest rates range from 0.07% - 3.50% (2022: 0.07% - 3.50%).

Movement in provision for expected credit losses:

	2023	2022
	$'000	$'000
Balance at the beginning of the year	**729**	871
Provision for expected credit losses recognized	**223**	(142)
Balance at the end of the year	**952**	729

10. CASH AND BANK BALANCES

	2023	2022
	$'000	$'000
Current accounts (i)	**2,514**	2,037
Savings accounts (ii)	**18,494**	26,118
Cash in hand	**45**	20
	21,053	28,175
Restricted cash (iii)	**3,000**	3,000
Allowance for expected credit losses (iv)	**(283)**	(352)
	23,770	30,823

10. CASH AND BANK BALANCES (CONT'D)

(i) The current accounts are JMD accounts which carry an interest rate of 0.04% (2022: 0.04%) per annum.

(ii) These include foreign currency bank accounts of US$61,441 (2022:US$90,843. As at December 31, 2023, the interest rate on foreign currency bank accounts ranged from 0.01% - 0.03% (2022: 0.01% - 0.03%) per annum. Cash held in a restricted account bears an interest rate of 4.0% (2022 - 4.0%).

(iii) Cash available to be utilized by employees for the purpose of revolving loan.

(iv) Movement in provision for expected credit losses:

	2023 $'000	2022 $'000
Balance at the beginning of the year	**352**	452
Provision for expected credit losses recognized	**(69)**	(100)
Balance at the end of the year	**283**	352

11. ACCOUNTS PAYABLE

	2023 $'000	2022 $'000
Trade payables	**11,009**	9,020
Statutory liabilities	**7,125**	4,882
Accrued expenses	**13,276**	6,206
GCT payable	**3,342**	4,158
Credit card payable	**12,782**	14,762
Dividend payable	**205**	1,021
Other payables	**2,618**	1,286
	50,357	41,335

Trade payables are non-interest bearing and are normally settled on 15–30-day terms. For explanations on the Company's liquidity risk management processes, refer to Note 25 (a)(ii).

12. CONTRACT LIABILITIES

Contract liabilities represent short-term customer advances received to deliver equipment and to render installation services.

	2023 $'000	2022 $'000
Customer advances	**7,479**	2,493

The movement in contract liabilities is shown below:

	2023 $'000	2022 $'000
Balance at the beginning of the year	**2,493**	3,323
Additional customer advance payments	**7,559**	3,100
Amount recognized in the statement of profit or loss	**(2,573)**	(3,930)
Balance at the end of the year	**7,479**	2,493

13. RIGHT-OF-USE ASSET / LEASE LIABILITY

Right-of-use asset

	2023	2022
	$'000	$'000
At Cost:		
Balance as at 1 January and 31 December	**19,226**	22,235
Depreciation:		
Charge for the year	**2,988**	3,009
Net book value as at 31 December	**16,238**	19,226

The right-of-use asset is being depreciated over a period of 10 years and 3 months (the anticipated lease term including extension options).

Lease liability

The lease which commenced in 2014 was renewed in 2019 for a term of five years, and the Company has an option to renew the lease for a further 5-year period. The rental is subject to annual increases.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2023	2022
	$'000	$'000
As at 1 January	**26,047**	27,899
Interest charged for the year	**1,905**	2,090
Payments made during the year	**(4,259)**	(3,942)
As at 31 December	**23,693**	26,047
Current	**2,796**	2,283
Non-current	**20,897**	23,764
Net book value as at 31 December	**23,693**	26,047

The lease liability is secured by the related underlying assets set out above. The maturities of the lease liability at 31 December are as follows:

	Within 1 yr	**Within 2 yrs**	**Within 3 yrs**	**Within 4 yrs**	**Within 5 yrs**	**Within 6-10 yrs**	**Total**
31 December 2023	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Lease payments	(4,749)	(5,105)	(5,488)	(5,615)	(6,036)	(2,377)	(29,370)
Interest expense	1,764	1,502	1,194	784	360	73	5,677
	(2,985)	(3,603)	(4,294)	(4,831)	(5,676)	(2,304)	(23,693)

13. RIGHT-OF-USE ASSET/LEASE LIABILITY (CONT'D)

31 December 2022	Within 1 yr $'000	Within 2 yrs $'000	Within 3 yrs $'000	Within 4 yrs $'000	Within 5 yrs $'000	Within 6-10 yrs $'000	Total $'000
Lease payments	(4,417)	(4,749)	(5,105)	(5,488)	(5,615)	(8,413)	(33,787)
Interest expense	2,134	1,764	1,504	1,194	784	360	7,740
	(2,283)	(2,985)	(3,601)	(4,294)	(4,831)	(8,053)	(26,047)

The following are the amounts recognized in profit or loss:

	2023 $'000	2022 $'000
Depreciation expense of right-of-use assets	**2,988**	3,009
Interest expense on lease liabilities	**1,905**	2,090
	4,893	5,099

14. DEFERRED TAX ASSET

Deferred taxes are calculated on all temporary differences using the current tax rate of 25% adjusted for the 50% remission expected over the next five (5) years.

Analysis for financial reporting purposes:

	2023 $'000	2022 $'000
Deferred tax asset	**4,621**	2,292

The following are the main deferred tax assets and liabilities recognized by the Company and the movements thereon, during the current period:

	Accrued vacation $'000	ECL provision $'000	Lease liability/ Right of use assets $'000	Property and equipment $'000	Interest receivable $'000	Unrealized foreign exchange gain $'000	Total $'000
At 1 January 2023	313	1,884	376	(525)	(6)	250	2,292
(Charged)/ credited to income for the year	129	1,752	(2)	479	(27)	(2)	2,329
At 31 December 2023	**442**	**3,636**	**374**	**(46)**	**(33)**	**248**	**4,621**

15. PROPERTY AND EQUIPMENT

	Computer Equipment $'000	Furniture and Equipment $'000	Total $'000
At Cost			
Balance at December 31, 2020	22,581	13,275	35,856
Additions	4,662	893	5,555
Balance at December 31, 2021	27,243	14,168	41,411
Additions	4,533	1,001	5,534
Balance at December 31, 2022	31,776	15,169	46,945
Additions	3,683	208	3,891
Balance at December 31, 2023	**35,459**	**15,377**	**50,836**
Accumulated Depreciation:			
Balance at December 31, 2020	15,633	7,325	22,958
Charge for year	3,961	1,545	5,506
Balance at December 31, 2021	19,594	8,870	28,464
Charge for year	4,003	1,736	5,739
Balance at December 31, 2022	23,597	10,606	34,203
Charge for the year	4,189	2,131	6,320
Balance at December 31, 2023	**27,786**	**12,737**	**40,523**
Net Book Value			
Balance at December 31, 2023	**7,673**	**2,640**	**10,313**
Balance at December 31, 2022	8,179	4,563	12,742
Balance at December 31, 2021	7,649	5,298	12,947

16. INTANGIBLE ASSET

	Computer Software $'000
At Cost	
1 January 2022	1,252
Addition	513
31 December 2022	1,765
Addition	217
31 December 2023	**1,982**
Amortization:	
1 January 2022	948
Charge for the year	221
31 December 2022	1,169
Charge for the year	467
31 December 2023	**1,636**
Net Book Value	
Balance at December 31, 2023	**346**
Balance at December 31, 2022	596

Intangible asset represents the cost of software which is amortized over 3 years.

17. SHARE CAPITAL

	2023 $'000	2022 $'000
Authorized share capital:		
106,000,000 ordinary shares at no par value		
Issued and fully paid:		
106,000,000 ordinary shares of no par value	**51,727**	51,727

18. EXPENSES BY NATURE

Total direct, administrative and other expenses:

	2023 $'000	2022 $'000
Direct costs:		
Technical fees, services and products	**166,533**	131,489
Technical staff costs (Note 22)	**93,024**	94,737
	259,557	226,226
Administrative expenses:		
Professional services	**6,467**	3,654
Property rental and utilities	**12,564**	10,925
Non-technical staff costs, inclusive of executive directors' emoluments (Note 22)	**61,667**	69,624
Statutory contributions (Note 22)	**15,894**	16,629
Directors' fees	**1,838**	1,153
Depreciation charge on property and equipment (Note 15)	**6,320**	5,739
Amortization of intangible asset (Note 16)	**467**	221
Insurance	**7,247**	7,237
Staff expenses	**4,508**	4,301
Corporate expenses	**5,188**	3,761
Repairs and maintenance	**982**	1,400
Allowance for expected credit losses	**14,632**	4,185
Depreciation right of use asset (Note 13)	**2,988**	3,009
Consultancy fees	**5,042**	6,728
Other	**14,262**	6,135
	160,066	144,701
Other operating expenses:		
Advertising and promotion	**10,131**	9,242
Training and subscription	**9,341**	9,612
Computer and communications	**7,990**	6,123
Subsistence and staff expenses	**1,762**	1,699
	29,224	26,676
Total expense	**448,847**	397,603

19. OTHER GAINS / (LOSSES)

	2023 $'000	2022 $'000
Commission	**363**	479
Dividend income	**89**	87
Depreciation in value of investments quoted equity securities at FVTPL) (Note 8)	**(249)**	(987)
Foreign exchange gain / (loss)	**2,219**	(2,448)
Other	**1,880**	1,558
	4,302	(1,311)

20. TAXATION CHARGE / (CREDIT)

(a) Income tax is computed at 25% (2022: 25%) of the pre-tax profit for the year, as adjusted for taxation purposes. Deferred taxation is computed at 25% for the financial year (2022: 25%) based on the applicable income tax rate for unregulated companies with effective date from January 2016.

The taxation charge /(credit) is computed as follows:

	2023 $'000	2022 $'000
Income tax charge for the year	**2,373**	-
Deferred tax credit	**(2,329)**	(1,224)
Origination and reversal of temporary differences	**44**	(1,224)

(b) The charge for the year is reconciled to the profit as per the statement of comprehensive income as follows:

	2023 $'000	%	2022 $'000	%
Profit / (Loss) before taxation	**20,563**		(24,093)	
Computed tax charge / (credit)	**5,141**	25%	(6,023)	25%
Taxation differences between profit for financial statements and tax reporting purposes on:				
Expenses not deducted for tax purposes	**201**	1%	193	-1%
Relief given under Junior Stock Exchange Regulation	**(2,050)**	-10%	-	0%
Net effect of other charges and allowances	**(3,248)**	-16%	4,606	-19%
Actual tax charge	**44**	0%	(1,224)	5%

Remission of income tax:

On January 7, 2016, the Company's shares were listed on the Jamaica Stock Exchange Junior Market. Consequently, the Company is entitled to full remission of income tax for the first five (5) years and fifty percent (50%) remission for the following 5 years, providing that the Company remains listed on the Jamaica Stock Exchange Junior Market during this period in order to benefit from the tax exemptions. The financial statements have been prepared on the basis that the Company will have the full benefit of the tax remissions. Subject to agreement with the Ministry of Finance and Planning, the income tax payable for which the 50% remission will be sought is $2.05 million (2022: nil).

21. EARNINGS / (LOSS) PER STOCK UNIT ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY

Earning / (Loss) per stock unit is calculated by dividing the net profit / (loss) attributable to stockholders by the weighted average number of ordinary stock units.

	2023	2022
	$'000	$'000
Net profit / (loss) attributable to stockholders ($'000)	**20,519**	(22,869)
Weighted average number of ordinary stock units	**106,000,000**	106,000,000
Basic earnings / (loss) per stock unit ($)	**0.19**	(0.22)

22. STAFF COSTS

	2023	2022
	$'000	$'000
Salaries and other employee benefits:		
Non-technical staff, inclusive of directors' emoluments	**61,667**	69,624
Technical staff costs	**93,024**	94,737
Statutory contributions	**15,894**	16,629
	170,585	180,990

23. DISCLOSURE OF EXPENSES

	2023	2022
	$'000	$'000
Profit before taxation is stated after charging:		
Directors' emoluments (included in staff costs)	**17,839**	25,259
Directors' fees	**1,838**	1,153
Depreciation charge on property and equipment (Note 15)	**6,320**	5,739
Amortization of intangible asset (Note 16)	**467**	221
Depreciation right of use asset (Note 13)	**2,988**	3,009
Auditor's remuneration	**2,050**	1,864
Staff costs (Note 22)	**170,585**	180,990

24. RELATED PARTY TRANSACTIONS

During the year, the Company had transactions with related parties in the normal course of business. Related party transactions are detailed below:

Related party transactions:	2023 $'000	2022 $'000
Key management compensation and directors' emoluments	**17,839**	25,259
Directors' fees	**1,838**	1,153
	19,677	26,412

As at 31 December 2023 and 2022, there are no related party receivable or payable. balances.

25. FINANCIAL INSTRUMENTS

(a) Financial risk management:

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

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

The Board of Directors, together with senior management, has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company 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 Company's activities.

(i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations.

This arises principally from cash and bank balances; securities purchased under resale agreements and amounts due from customers and related parties.

The maximum exposure to credit risk is reflected in the statement of financial position at the reporting date.

	2023 $'000	2022 $'000
Financial assets:		
Contract assets (Note 6)	**33,370**	20,695
Trade and other receivables (Note 7)	**98,486**	83,917
Short-term investments (Note 8, 9)	**116,360**	101,835
Long-term investments (Note 8)	**3,400**	3,649
Cash and bank balances (Note 10)	**23,770**	30,823
	275,386	240,919

25. FINANCIAL INSTRUMENTS

(a) Financial risk management:

(i) Credit risk (cont'd):

Cash and bank balances and securities purchased under resale agreements

The Company limits its exposure to credit risk including investments by placing cash resources with substantial counterparties who are believed to have minimal risk of default.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Accounts receivable mainly consist of amounts owing from corporate customers. As at 31 December 2023, amounts receivable from four (2022: four) customers that individually accounted for greater than 5% of the trade receivable balance represented 37.22%, 10.28%, 6.02%, 5.77% (2022: 49.15%, 5.55%, 5.19%, 5.03%). There are no other concentrations of credit risk.

The Company does not require collateral in respect of trade and other receivables.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for various customers with similar loss patterns. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than 90 days and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 7.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix.

25. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management (cont'd):

(i) Credit risk (cont'd):

	Trade receivables Days past due						
	0-30 days Current	**31-60 days**	**61-90 days**	**91-180 days**	**Over 181-365 days**	**Over 365 days**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
2023							
Expected credit loss rate	2.53%	3.22%	8.28%	39.45%	57.61%	100%	
Estimated total gross carrying amount at default	63,633	6,309	7,737	14,277	21,830	6,892	120,678
Expected credit loss	1,608	203	640	5,633	12,577	6,892	27,553

	Trade receivables Days past due						
	0-30 days Current	**31-60 days**	**61-90 days**	**91-180 days**	**Over 181-365 days**	**Over 365 days**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
2022							
Expected credit loss rate	1.81%	3.21%	7.12%	28.08%	29.04%	100%	
Estimated total gross carrying amount at default	50,838	6,738	4,069	16,270	9,051	5,051	92,017
Expected credit loss	922	216	290	4,569	2,625	5,051	13,673

25. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management (cont'd):

(i) Credit risk (cont'd):

		2023		2022	
12 month credit loss	**Expected**	**Average Expected credit loss rate**	**Expected credit loss**	Average Expected credit loss rate	Expected credit loss
			$'000		$'000
Financial Assets					
Cash and bank balances		1.18%	**283**	1.10%	352
Government securities purchased under resale agreements		1.10%	**952**	1.10%	729
Investments		0.96%	**293**	1.10%	320

There were minor changes in the credit ratings of the underlying securities or corporate rating for the debt instruments as at the year end.

Contract assets had a gross carrying amount of $36.58 million (2022: $22.14 million) with an impairment provision of $1.93 million (2022: $1.44 million).

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk may result from an inability to sell a financial asset at, or close to its fair value. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The Company's liquidity management process, as carried out within the Company and monitored by the Finance Department, includes:

- Monitoring future cash flows and liquidity on a bi-weekly basis.
- Maintaining a portfolio of short-term deposit balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.

The following table details the Company's contractual maturity for its financial liabilities. The table below has been drawn up for financial liabilities, based on the earliest date on which the Company can be required to pay. The financial liability below includes; trade payables, contract liabilities and lease liabilities.

25. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial risk management (cont'd):

(ii) Liquidity risk (cont'd):

	Average Effective Interest rate	Less than 1 Year	1-5 Years	Over 5 Years	Total
2023		**$'000**	**$'000**		**$'000**
Financial liabilities:					
Non-interesting bearing	0.00%	24,831	-	-	24,831
Interest bearing liability	7.50%	8,797	15,711	8,053	32,561

	Average Effective Interest rate	Less than 1 Year	1-5 Years	Over 5 Years	Total
2022		**$'000**	**$'000**		**$'000**
Financial liabilities:					
Non-interesting bearing	0.00%	20,059	-	-	20,059
Interest bearing liability	7.95%	17,210	18,005	7,214	42,429

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices. These arise mainly from changes in interest rates and foreign exchange rates and will affect the 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 optimizing the return on risk. The nature of the Company's exposures to market risks and it objectives, policies and processes for managing these risks have not changed significantly over the prior year. For each of the major components of market risks the Company has policies and procedures in place which detail how each risk is managed and monitored. The management of each of these major components of market risks and the exposure of the Company at the reporting date to each major risk are addressed below.

Currency risk

Foreign currency risk is the risk of loss arising from adverse movements in foreign exchange rates. The Company undertakes certain investment transactions denominated in currencies other than the Jamaican dollar. Exchange rate exposures are managed within approved policy parameters and maintaining a manageable balance in the types of investments. The Company's investment portfolio is exposed to foreign exchange risk primarily with respect to the United States dollar.

Derivative financial instruments are not presently used to reduce exposure to fluctuations in foreign exchange rates.

25. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management (cont'd):

(iii) Market risk (cont'd):

Credit risk (continued)

Concentration of currency risk

The table below summaries the Company's exposure to foreign exchange rate risk as at 31 December

	2023 $'000	2022 $'000
Bank of Jamaica foreign exchange buying rates (JM$ to US$)	**154.31**	152.05
Financial assets:		
Cash resources (Note 10)	**9,570**	13,831
Short term investments (Note 8, 9)	**64,913**	78,867
Total financial assets	**74,483**	92,698

Foreign currency sensitivity

The Company's investment portfolio is exposed to the United States dollar. The Company's sensitivity to a 1 % increase and at with a 4% decrease (2022: 1% increase, and a 4% decrease) in the Jamaican dollar against the United States dollar is the sensitivity rate used when reporting foreign currency risk internally to the key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rate.

The sensitivity of a 1 % increase or 4% decrease (2022: 1% increase or 4% decrease) in the Jamaican dollar against the United States dollar exposure would result in a change of $0.74 million (2022: $0.92 million) or $2.97 million (2022: $3.70 million) to the profit and loss account respectively.

The Company's sensitivity to foreign currency has decreased during the year mainly due to decreased holdings of foreign cash and short-term investments balances.

Interest rate risk

The Company's interest rate risk arises from deposits, repurchase agreements and lease liability.

Interest rate sensitivity

There is no significant exposure to interest rate risk on short term deposits, as these deposits have a short term to maturity and are constantly reinvested at current market rates. Short and long-term deposits are at fixed rates and are carried at amortized cost.

25. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management (cont'd):

(iii) Market risk (cont'd):

Price risk management

The Company is exposed to price risks arising from quoted equity instruments and unit trust investments.

Price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risks at the reporting date. The analysis is prepared assuming that the number of units at the reporting date remains the same for the whole year. A 6% increase or 3% decrease (2022: 6% increase or 6% decrease) represents management's best estimate of the possible change in equity prices.

If bid prices had been 6% higher and 3% lower (2022: 6% higher/lower) and all other variables were held constant, they would result in an increase/decrease in net profit as detailed below:

	2023 $'000	2022 $'000
	6% increase/ 3% decrease	6% increase/ decrease
Quoted shares	**204/ (102)**	219/ (219)

The change in sensitivity is due to the decrease in the fair value of quoted shares an increase in the unit price of the investment in unit trust.

(b) Fair value of financial instruments

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.

25. FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair value of financial instruments (cont'd)

The following methods and assumptions have been used to determine the fair values of the Company's financial instruments.

(i) The carrying values of cash and bank balances, receivables (excluding income tax recoverable), accounts payable, securities purchased under resale agreements and investments in short-term fixed interest rate bearing securities approximate their fair values because of the short-term maturity of these instruments.

(ii) Investments represents quoted equities which are valued using the year end closing bid price published by the Jamaica Stock Exchange.

(iii) The carrying value of long-term investments approximates fair value, as the interest rates are based at market rates at year end.

(iv) The fair values of the Company's lease liability are determined by using the discounted cashflow method, using a discount rate that reflects its bankers borrowing interest rate as at the end of the reporting period.

No significant unobservable inputs were applied in the valuation of the Company's financial instruments classified as fair value through profit or loss.

	2023			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Equity securities	3,400	-	-	3,400

	2022			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Equity securities	3,649	-	-	3,649

There were no transfers between Level 1 and Level 2 during the period.

(c) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders. The directors of the Company seek to maintain a strong capital base so as to maintain shareholder and creditor confidence. The Company defines capital as total shareholders' equity. There were no changes in the Company's approach to capital management during the year.

form of proxy

I/We ____of

____(address)

being a shareholder(s) of the above-named Company, hereby appoint:

____ (proxy name)

of ____(address)

or failing him, ____________________________________ ___________(alternate proxy)

of ____(address)

as my/our proxy to vote for me/us on my/our behalf at the 2024 Annual General Meeting of the Company to be held at **3:00 p.m. on Thursday, June 13, 2024**, at the Courtleigh Hotel, Somerset Suite, 85 Knutsford Boulevard, Kingston and at any adjournment thereof.

Signed this ____________________ day of ___________________________________ 2024:

Signature: ____ (Signature of primary shareholder)

Name: ____ (Name of primary shareholder)

Taxpayer Registration Number: ____________________________________ (Primary Shareholder)

Signature: ____ (Signature of secondary shareholder)

Name: ____ (Name of secondary shareholder)

NOTES:

1. *If the appointer is a Corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorised.*
2. *A Member entitled to attend and vote at this meeting may appoint a Proxy to attend and vote in his/her stead. A Proxy need not be a Member of the Company. A Proxy Form is enclosed for your convenience. Completed Proxy Forms must be lodged at the Company's Registered Office, 69 ½ Harbour Street, Kingston at least forty-eight hours before the time appointed for holding the meeting. The Proxy Form shall bear the stamp duty of $100.00 before being signed. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the person executing the Proxy.*
3. *The Taxpayer Registration Number is required to determine shareholdings across all JCSD Broker Accounts held.*

PLACE STAMP

notes

…the Company will continue to focus on its commitment to delivering shareholder value through strategic growth, operational excellence, and customer-centricity.