

## AS Bryden laments forex challenges

...completes CPJ takeover

■ Joel Julien

joel.julien @trinidadexpress.com

AS Bryden and Sons Holdings Ltd (ASBH) has expressed concerns that its Trinidad and Tobago operations are facing challenges due to the availability and cost of foreign exchange.

ASBH, a distributor based in Trinidad and Tobago with operations in Guyana, Barbados and St Lucia, made the statement during an interim report to the stockholders for the year ended December 31, 2024.

The interim report was signed by chairman PB Scott and director Richard Pandohie.

'ASBH now has a strong competitive position as a regional distribution platform attractive to global food, pharmaceutical and premium beverage brands looking to do business in the Caribbean. We are only at the very beginning of the process of integrating our platform and realising the strategic benefits which makes us optimistic about our long-term future,' it stated.

'In the short-term, our Trinidad business is facing headwinds most notably from the availability and cost of foreign exchange. However, there are also a number of encouraging developments across our increasingly regional business. For example, we are pleased to report a strong turnaround in the growth trajectory of CPJ, our Jamaican subsidiary, which mostly earns hard currency. We are also equally pleased to report robust growth in Guyana and consistent, strong performance in Barbados. We have also identified a clear path to sustained profitability in St Lucia,' it stated.

**After-tax profit falls by 35.2%** ASBH recorded an after-tax profit of \$90.6 million for the year ended December 31, 2024, representing a 35.2% decline from the \$139.8 million reported the previous year. 'This is the result of a higher effective tax rate being incurred by the Group, as well as the non-recurrence of tax-related gains recorded in 2023,' it stated.

'Revenue for the year ended 31 December 2024 closed at \$3,390.9 million, an increase of \$827.0 million (32.3%) against the prior year, while gross profits increased from \$665.0 million to \$941.8 million (41.6% growth). The Group generated an operating profit of \$231.0 million versus \$219.6 million in the prior year, an increase of \$11.4 million (5.2%),' it stated.

'Profit before tax closed at \$156.5 million compared to \$165.8 million in the prior year, a reduction of \$9.3 million. This was driven by higher finance costs in 2024 as a result of acquisitions (increase of \$20.6 million against the prior year) and the reversal of the post-employment medical plan liability in 2023 (\$15.1 million). If adjusted for the reversal of the medical plan liability in 2023, the 2024 profit before tax would be \$10.2 million below the prior year, primarily due to higher interest costs,' it stated.

**Takeover oversubscribed** ASBH's revenue for the fourth quarter was \$1,157.5 million, up \$394.0 million or 51.6% over the same period in 2023.

ASBH yesterday announced that its takeover bid for Caribbean Producers (Jamaica) Ltd (CPJ) was oversubscribed. As a result, ASBH said it will be issuing 14,695,025 of its ordinary shares to settle the acquisition today. 'The Company announced the over-subscription and closure of its takeover bid to acquire shares in Caribbean Producers (Jamaica) Ltd. Pursuant to the terms of the Take-Over Bid Offer Circular, the Company will issue 14,695,025 ordinary shares in settlement of the subscription on February 24, 2025 to the former CPJ shareholders who tendered their shares in the bid,' a Material Change notice stated.

On July 9, ASBH acquired a 44.8% strategic stake in CPJ. On December 6, ASBH acquired 334,308,668 Shares which resulted in ASBH holding 828,107,531 Shares which represent 75.28% of the total issued ordinary shares of CPJ. Among those shares acquired in December were 82,830,563 from Thomas Tyler, 168,722,866 from Sportswear Producers Ltd, and 82,755,239 from Wave Trading Ltd.

Tyler will be appointed to the board of ASBH, and Antony Mark Hart a connected party to Sportswear Producers Ltd and Wave Trading Ltd was appointed to the board of directors of Seprod Ltd in December.

ASBH is owned by Seprod.

In keeping with Regulations 12(1) and 26(1) of the Securities (Take-Overs and Mergers) Regulations of the Laws of Jamaica, ASBH, made an offer to purchase a maximum of 51,782,469 shares which it did not own.

'In the event the Offer is taken up in full, the total consideration paid for the Shares will be an aggregate of 14,695,025 ordinary shares This would result in ASBH holding 79.99% of the total issued share capital of CPJ,' the takeover bid offer circular stated.

The offer price was 10 newly issued ordinary shares in ASBH for every 35.23 CPJ shares.

CPJ is a distributor of global food and beverage brands in Jamaica and St Lucia.

Founded in 1994, CPJ is headquartered in Montego Bay and specialises in providing a wide range of food, beverages, and non-food products mainly to the hospitality industry. They supply items such as meats, seafood, dairy, wines, and spirits, as well as offering logistics and supply chain solutions. CPJ operates 'CPJ Market' retail stores in Jamaica and St Lucia. The company is also listed on the Jamaica Stock Exchange.