



EVERYTHING FRESH LIMITED
REPORT TO THE SHAREHOLDERS
FOR THE QUARTER ENDED 30 SEPTEMBER, 2020

The Directors hereby present the unaudited financial statements for the third quarter ended 30 September 2020 which have been prepared in accordance with International Financial Reporting Standards (IFRS).

On July 1, 2020, our Company acquired 60% of the shares of Everything Fresh Bahamas Limited, a company registered in the Bahamas. This was the culmination of a process that began at the beginning of 2019 when we provided a loan to the Bahamian company to assist with start-up costs and sourcing of inventory. No further financial outlays were made by the Jamaican Company since the initial assistance was provided. The loan has now been converted to share capital in the Bahamian company, and starting with this our third quarter, we will be reporting the same amount as an investment in Subsidiary.

Everything Fresh Bahamas services the same industries as the Jamaican company, namely tourism, restaurants and retail. The Covid 19 pandemic has severely impacted the results of both companies. The Bahamas is currently in its second lock-down with very few hotel rooms in operation. The Bahamian company is currently doing very well in selling to the local trade and once the hotels reopen, is poised for significant growth.

Traditionally, 85% of the revenue of Everything Fresh Jamaica was derived from the hotel sector. That sector began shutting down in mid-March of this year, at which time our revenues declined significantly. Sales began to rise again in the second half of June when the hotels began to slowly open. However we used that period to reposition our company as a major supplier to the supermarket and wholesale trade. We have also added several new customers from the local restaurant sector. We have currently doubled our sales to supermarkets and wholesales as compared to previous years.

We will shortly roll out our own e-commerce platform which will increase our direct deliveries to consumers.

The Jamaican company's revenue is just below half of what it was in 2019 both for the third quarter and the full nine months of 2020. This was due to the Covid 19 shut down of the tourism sector as well as our decision to exit the market for fresh pork products at the end of 2019.

We have reduced expenses by 31% in the third quarter of 2020 compared to the same period in 2019.

For the first nine months of this year, we reduced expenses by 24% when compared with the prior year for the corresponding period.

Our finance costs have now stabilised and continue to fall. For the quarter ended 30 September 2020 finance costs were \$7.7million compared to \$7.8 million for the same period in the prior year.

Both companies continue to remain liquid due to tight management of working capital.

The foundation has been laid to minimise the losses and begin the turnaround as the Caribbean hotel sector continues to show signs of increased activity despite the on-going pandemic.

Courtney Pullen
Managing Director