



Wisynco Group Limited
Interim Report (Unaudited)
1st Quarter ended
30 September 2021

Wisynco Group Limited (Wisynco) – Interim Report to Stockholders

The Directors present the unaudited financial results for the first quarter ended September 30, 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Revenues for the quarter of \$9.2 billion being the highest in the company's history representing an increase of 14.1% above the \$8.1 billion achieved in the corresponding quarter of the previous year and is a continuation of the recovery in revenues from our final quarter of Fiscal 2021. In addition to the general trend, our Food Service Sales continue to show recovery as a result of the uptick in the vibrant tourism industry as well as consumers returning to restaurants.

The closures and shutdowns during the quarter instituted by the Government to combat the increasing Covid-19 cases due to the spread of the Delta Variant tempered our Revenue growth from some of our distribution Channels.

Export Revenues were up 75% over the same quarter last year as we continue to see very strong demand for our beverages in key export markets.

Gross Profit for the quarter of \$3.3 billion was 13.2% more than the \$2.9 billion achieved in the same quarter of the previous year although our Gross Margin at 35.6% was slightly lower than the 35.9% in prior year.

Selling, Distribution & Administrative expenses (SD&A) for the quarter totaled \$2 billion or 5.4% more than the \$1.9 billion for the corresponding quarter of the prior year. Our SD&A expense to sales ratio was 22% for the quarter, compared to 23.8% in the prior year as management continues to exercise control over our costs and are pleased with the continued reduction in the expense to sales ratio.

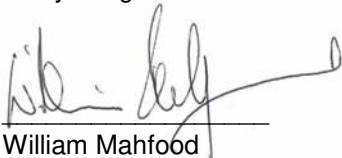
Profit before Taxation for the quarter was \$1.3 billion, which is \$255 million or 24.8% higher than the \$1.0 billion of the comparative quarter of the prior year and includes an exchange loss of \$59.4 million compared to an exchange gain of \$7.4 million for the prior year's quarter.

After provision for taxes, Wisynco recorded Net Profits Attributable to Stockholders of \$967 million or 26 cents per share for the quarter which compared favourably to \$851 million or 23 cents per share earned for the prior year which represents a 13% increase.

Our Balance Sheet remains strong with a current ratio of 2.8 and a debt to equity level of 12%. We continue to seek investments for expansion and cost-effective technologies while driving the growth of our Revenues.

We are pleased to have secured our North West Distribution Center in Hague, Trelawny with the objective of commencing operations early into our 3rd Quarter. The logistics of this arrangement allows us to be more anticipatory and agile in meeting our customer demands in the Western region.

We express our sincere gratitude to all our team members who continue to do their very best, the efforts of the entire team during these challenging times has been remarkable. We continue to ensure that management focuses on the team engagement. To all our customers, consumers and stockholders, we remain thankful for your continued support and wish everyone good health.



William Mahfood
Chairman



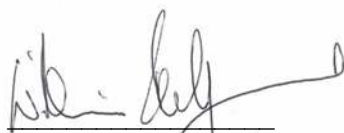
Andrew Mahfood
Chief Executive Officer

Wisynco Group Limited
Group Statement of Comprehensive Income
Three months ended 30 September 2021

	Quarter ended 30 September 2021 \$'000	Quarter ended 30 September 2020 \$'000
Revenue	9,205,902	8,066,104
Cost of sales	(5,924,959)	(5,168,808)
Gross Profit	3,280,943	2,897,296
Other operating income	44,585	42,876
Selling and distribution expenses	(1,645,662)	(1,564,965)
Administration expenses	(378,575)	(354,049)
Operating Profit	1,301,291	1,021,158
Finance income	66,736	48,898
Finance costs	(86,363)	(43,631)
Share of results of associate	1,634	1,615
Profit before Taxation	1,283,298	1,028,040
Taxation	(316,286)	(176,799)
Net Profit	967,012	851,241
Other Comprehensive Income		
Items that may be subsequently reclassified to P&L:		
Exchange differences on translation of foreign subsidiary	(8,577)	112
Share of other comprehensive income of associate	(368)	15,030
Items that may not be subsequently reclassified to P&L:		
Unrealised (loss)/gains on investment securities	(639)	4,674
Total Comprehensive Income	957,428	871,057
Net Profit attributable to:		
Stockholders of Wisynco Group Limited	967,012	851,241
Total Comprehensive Income attributable to:		
Stockholders of Wisynco Group Limited	957,428	871,057
Earnings per stock unit attributable to stockholders of the group		
3	\$0.26	\$0.23

Wisynco Group Limited
Group Statement of Financial Position
30 September 2021

		Unaudited September 30 2021 \$'000	Unaudited September 30 2020 \$'000	Audited June 30 2021 \$'000
	Note			
Non-Current Assets				
Property, plant and equipment		6,456,681	7,134,831	6,630,904
Intangible asset		15,413	26,618	18,247
Investment in associate	4	581,447	620,912	580,181
Loans receivable		206,834	177,401	205,685
Investment securities		797,499	316,915	640,840
		8,057,874	8,276,677	8,075,857
Current Assets				
Inventories		2,933,297	2,992,274	3,591,118
Receivables and prepayments		3,390,457	2,787,550	2,635,049
Investment securities		482,773	459,134	402,827
Cash and short-term deposits	5	7,609,656	6,570,513	7,661,003
		14,416,183	12,809,471	14,289,997
Current Liabilities				
Trade and other payables		3,797,733	3,817,762	4,590,330
Short-term borrowings		771,033	782,500	765,451
Lease Liability		53,498	74,595	80,292
Taxation payable		579,477	504,712	464,199
		5,201,741	5,179,569	5,900,272
Net Current Assets		9,214,442	7,629,902	8,389,725
		17,272,316	15,906,579	16,465,582
Shareholders' Equity				
Share capital	6	1,208,583	1,192,647	1,192,647
Other reserve		367,240	275,038	369,039
Translation reserve		50,919	63,277	59,864
Retained earnings		14,399,613	12,336,698	13,432,757
		16,026,355	13,867,660	15,054,307
Non-current Liabilities				
Deferred tax liabilities		99,966	155,647	99,966
Borrowings		1,145,995	1,807,482	1,311,309
Lease Liabilities		-	75,790	-
		1,245,961	2,038,919	1,411,275
		17,272,316	15,906,579	16,465,582


William Mahfood
Chairman


Andrew Mahfood
Chief Executive Officer

Wisynco Group Limited
Group Statement of Changes in Equity
Three months ended 30 September 2021

	Number of Shares	Share Capital \$'000	Capital Reserves \$'000	Retained Earnings \$'000	Translation Reserve \$'000	Total Equity \$'000
Balance as at 1 July 2020	3,750,000,000	1,192,647	248,534	11,485,457	48,135	12,974,773
Net profit	-	-	-	851,241	-	851,241
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	4,674	-	-	4,674
Share-based payment expenses, net of taxes	-	-	21,830	-	-	21,830
Share of other comprehensive income of associate	-	-	-	-	15,030	15,030
Exchange differences on translating foreign subsidiary	-	-	-	-	112	112
Total comprehensive income	-	-	26,504	851,241	15,142	892,887
Transactions with Owners:						
Dividends paid	-	-	-	-	-	-
	-	-	26,504	851,241	15,142	892,887
Balance at 30 September 2020	3,750,000,000	1,192,647	275,038	12,336,698	63,277	13,867,660
Balance as at 1 July 2021	3,750,000,000	1,192,647	369,039	13,432,757	59,864	15,054,307
Net profit	-	-	-	967,012	-	967,012
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(639)	-	-	(639)
Long Term Incentive Plan (LTIP) expenses	-	-	6,897	-	-	6,897
Share of other comprehensive income of associate	-	-	-	-	(368)	(368)
Exchange differences on translating foreign subsidiary	-	-	-	-	(8,577)	(8,577)
Total comprehensive income	-	-	6,258	967,012	(8,945)	964,326
Issue of shares	6	6,250,000	-	-	-	-
Amount held as treasury shares	6	(5,249,000)	-	-	-	-
Shares Issued Through LTIP	6	1,001,000	15,936	(8,057)	-	7,879
Transactions with Owners:						
Dividends	-	-	-	(156)	-	(156)
	-	-	-	(156)	-	(156)
Balance as at 30 September 2021	3,751,001,000	1,208,583	367,240	14,399,613	50,919	16,026,355

Wisynco Group Limited
Group Statement of Cash Flows
Three months ended 30 September 2021

	Quarter ended 30 September 2021 \$'000	Quarter ended 30 September 2020 \$'000
Net profit from operations:	967,012	851,241
Items not affecting cash:		
Share of results of associate	(1,634)	(1,615)
Depreciation	232,291	255,721
Gain on sale of property, plant and equipment	-	(739)
Amortisation of intangibles	2,834	5,544
Long term investment plan (LTIP) expense	6,897	21,830 *
Interest income	(66,613)	(41,328)
Dividend income	(123)	(122)
Interest expense	26,594	39,066
Taxation expense	316,286	176,799
Exchange difference on foreign currency balances	32,126	(14,913)
	1,515,669	1,291,484
Changes in operating assets and liabilities:		
Inventories	657,821	324,486
Receivables and prepayments	(755,408)	(259,176)
Trade and other payables	(42,597)	826,523 *
Cash generated from operations	1,375,485	2,183,317
Taxation paid	(201,008)	(90,038)
Cash provided by operating activities	1,174,477	2,093,279
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(58,068)	(302,061)
Purchase of investments securities	(299,995)	(193,113)
Net withdrawals/(placements) of deposits over 3 months	291,935	617,071
Proceeds on disposal of property, plant and equipment	-	739
Proceeds from sale of investments securities	72,715	-
Repayment on long term receivables	976	-
Dividend received	123	122
Interest received	65,185	41,328
Cash provided by investing activities	72,871	164,086
Cash Flows from Financing Activities		
Interest paid	(30,356)	(39,923)
Proceeds from long term loan	-	500,000
Proceeds from shares issued under LTIP	7,879	-
Long-term loans repaid	(165,488)	(165,488)
Lease liabilities repaid	(28,601)	-
Dividend paid	(750,156)	(337,500)
Cash used in financing activities	(966,722)	(42,911)
Effects of changes in foreign exchange rates	(46,467)	13,532
Increase in cash and cash equivalents	234,159	2,227,986
Cash and cash equivalents at beginning of period	7,265,567	3,637,130
Cash and Cash Equivalents at end of period	7,499,726	5,865,116

* Reclassified for comparative purposes

Wisynco Group Limited
Notes to the Interim Financial Statements
30 September 2021

1. Basis of preparation

These financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* and should be read in conjunction with the annual financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. Items presented in these interim consolidated financial statements have been recognized and measured in accordance with International Financial Reporting Standards (IFRS).

The financial statements have been expressed in Jamaican dollars unless otherwise indicated.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial assets.

2. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses and whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment. Operating segments are reported in a manner consistent with the internal reporting to the CODM. The CODM is the Chief Executive Officer (CEO).

The CODM regularly reviews local versus export sales, however, the export sales do not meet the threshold of a reportable segment under IFRS 8 and as such no separate segment information is presented. There are no individual customers that constitute more than 10% of total revenue and the CODM does not review assets on a segment basis.

3. Earnings per stock unit

Earnings per stock unit is calculated on net profit and is based on the weighted average number of ordinary stock units in issue.

	Quarter ended September 30 2021	Quarter ended September 30 2020
Net profit attributable to ordinary stockholders (\$'000)	<u>967,012</u>	<u>851,241</u>
Basic & diluted earnings per stock unit	<u>\$0.26</u>	<u>\$0.23</u>

Wisynco Group Limited
Notes to the Interim Financial Statements
30 September 2021

4. Investment in Associate

	2021
	\$'000
At July 1st 2021	580,181
Amounts recognized in other comprehensive income	(368)
Amounts recognized in profit & loss	1,634
Amounts recognized in the Statement of Financial Position	<u>581,447</u>

The Company owns 30% of the share capital in JP Snacks, which is the manufacturer of St. Mary's Snacks.

JP Snacks is a private company and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Company's interest in JP Snacks.

5. Cash and Short Term Deposits

	Three months ended	Three months ended
	September 30	September 30
	2021	2020
	\$'000	\$'000
Cash and bank balances	2,567,856	2,497,552
Short term deposits	5,041,800	4,072,961
	<u>7,609,656</u>	<u>6,570,513</u>
Bank overdraft	(109,930)	(120,782)
Balances with maturity dates over three months	-	(584,615)
	<u>7,499,726</u>	<u>5,865,116</u>

6. Share Capital

An additional 6,250,000 ordinary stock units were listed on The Jamaica Stock Exchange on July 1, 2021, increasing the company's total issued and ordinary shares to 3,756,250,000. Of the 6,250,000 additional stock units, 5,249,000 were retained by the Group as Treasury stock units and 1,001,000 units were issued to employees who exercised stock options under the Company's Long-Term Incentive Plan.

7. Subsequent Events

The Directors confirm that there have been no material events subsequent to the end of the interim reporting period that have not been reflected in these financial statements.