ABOVE & BEYOND

THE WISYNCO WAY

WISYNCO GROUP

2021

ANNUAL REPORT

MISSION

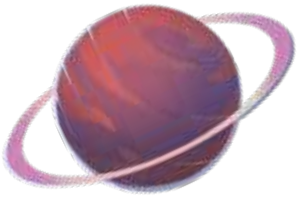
Improving the lives of our people.

COUNTDOWN

THE CONTENTS

ABOUT THE COMPANY

Building business, changing lives – the Wisynco Way



Wisynco Group Limited is a proud Jamaican manufacturer and distributor. The Company was established in 1965 and began with the manufacturing of Ironman Waterboots. Every decade of Wisynco's existence has seen innovation and growth, be it through new industries, new partnerships or new export ventures. At Wisynco, innovation is viewed as the most effective driver of long-term sustainable shareholder value. By understanding the needs of the Jamaican consumer, the Company has been able to conceptualize several local beverage brands which have resonated with the Jamaican palate and lifestyle and which dominate in their respective categories.

The Company currently produces its own brands of high-quality beverage products including BIGGA soft drinks, WATA, CranWATA, Sparkling CranWATA, and BOOM Energy Drink. In addition to their owned brands, Wisynco is the exclusive bottler and distributor for the popular brand portfolios Coca-Cola and Squeezz beverages. The Company boasts an enviable portfolio of food and beverage brands that include imported brands such as Betty Crocker, Pringles, Haagen Dazs, Yoplait, Mott's and Nature Valley, as well as locally manufactured products from Trade Winds Citrus Limited, Worthy Park Estate and JP Snacks.

The Wisynco Family has expanded over the years and has faced many triumphs and challenges together, making the team more resilient and committed. Through the years the Company and its growing employee base have been guided by the principles of their founding fathers, who insisted that their priorities in life should be 'God first, Family second, Country and then Company' third. The Company Mission Statement: 'To improve the lives of our people', extends to all stakeholders, shareholders, team members, customers, partners and fellow Jamaicans alike.

The Wisynco Team conceptualized the acronym C.H.I.R.P. which speaks to the values of Compassion, Humility, Integrity, Respect, and Passion. These values define the 'Wisynco Way' by which all Wisynco employees strive to live.

Wisynco takes great pride in offering quality products to the Jamaican market at competitive prices. The Company's goal is to remain the premier distributor and manufacturer of food and beverages in Jamaica. This is achieved by constant innovation in existing and potential product categories. The variety of brands and packaged offerings the Company has in its portfolio provide the flexibility to reach all Jamaican consumers. Wisynco maintains international standards and is certified with the following:

- ISO 9001:2015 [Quality Management Systems Certification]
- FSSC 22000 v 4.1 [Food Safety Management Systems Certification]
- ISO 14001:2015 [Environmental Management Systems Certification]
- ISO 45001:2018 [Occupational Health and Safety Management Systems Certification]

Wisynco currently distributes 142 brands and has a direct customer base of over 12,000 customers. This is made up primarily of supermarkets, retail wholesale channels, schools and food service outlets. It offers its products through distributors in Jamaica, Antigua, Bahamas, Trinidad, Grenada, Dominica, St. Lucia, Barbados, St. Vincent, Belize, Curaçao, Grand Cayman, Aruba, St. Kitts, St. Maarten, British Virgin Islands, US Virgin Islands, Bermuda, the United Kingdom, the United States, Canada, Guyana, Panama and Suriname. Wisynco

prides itself on creating a differentiated customer experience, as such the focus is on providing innovative product offerings and superior customer service resulting in a high degree of customer loyalty.

The company has one of the largest sales forces in Jamaica, comprising of approximately 700 sales-related employees. Wisynco boasts a sales and distribution infrastructure that has a significant presence in the marketplace, ensuring that all Wisynco represented products are well positioned and accessible to Jamaican consumers at all times.

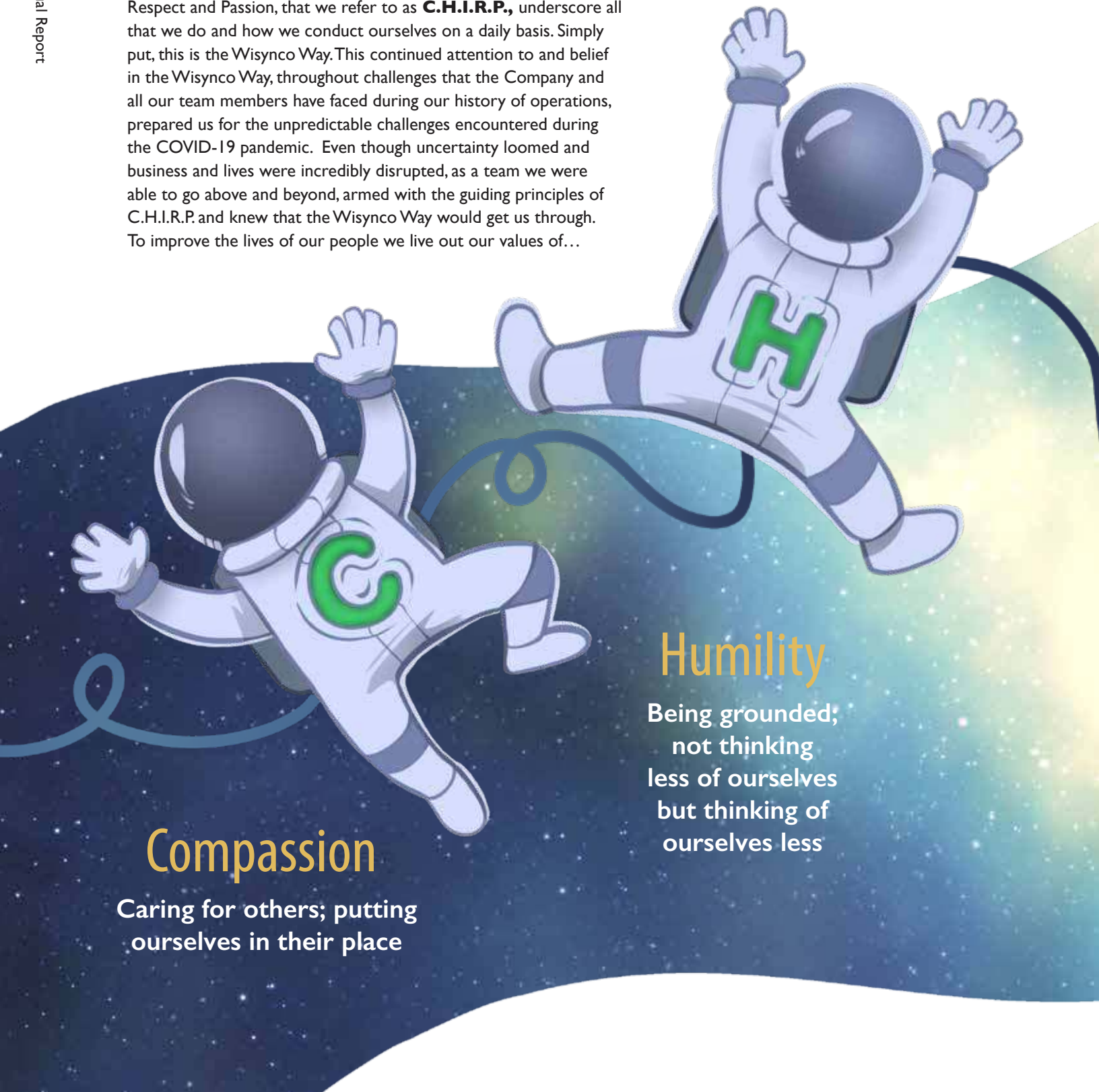
On average, every Jamaican consumes a Wisynco product at least once every day.

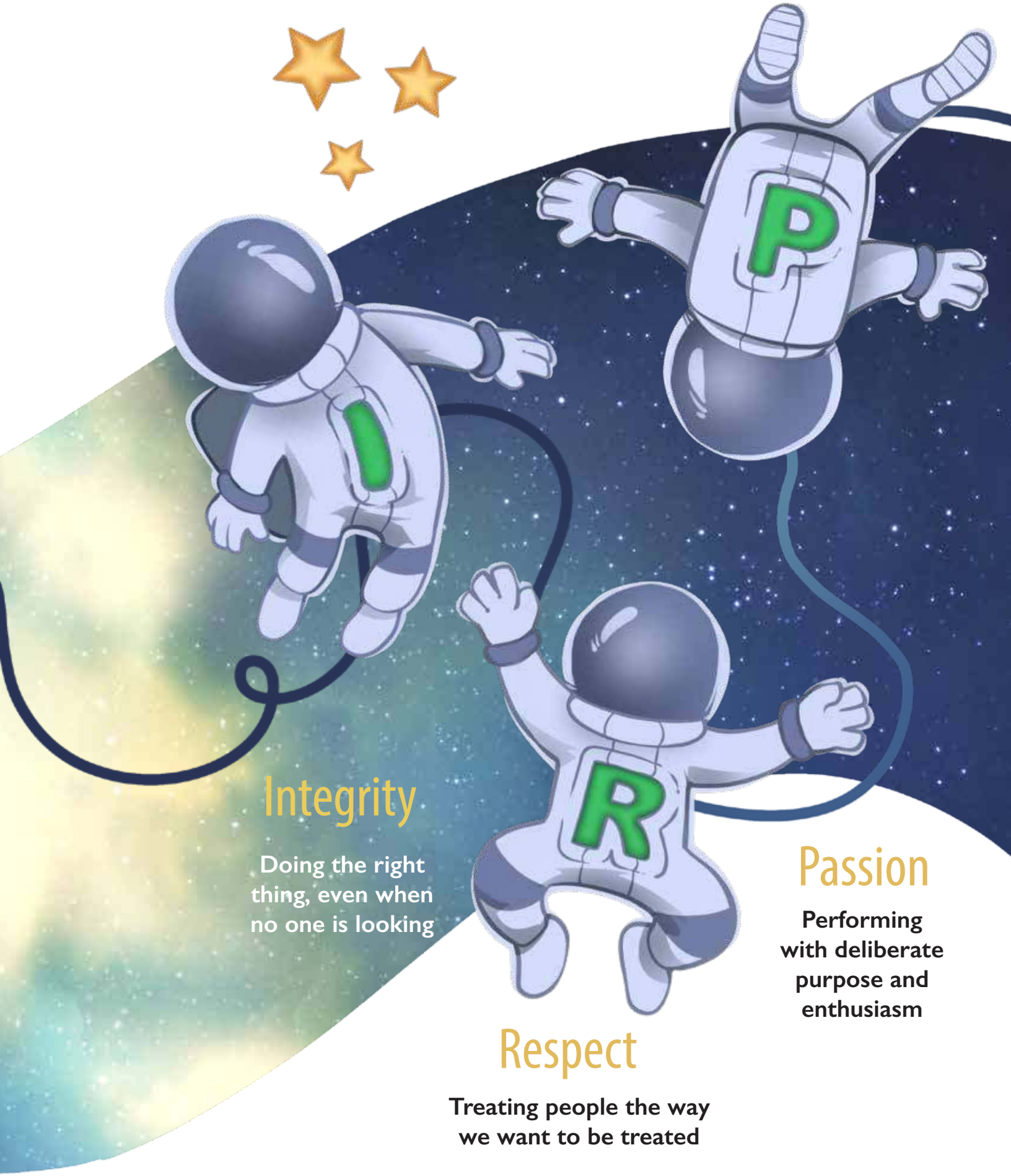
The Company operates from a modern centralized 360,000 square foot warehouse space and commands a fleet of over 90 owned and over 400 contracted trucks that deliver products directly to our vast customer base. Its in-trade assets include over 8,600 coolers and 2,400 freezers which help to ensure the ready-to-serve availability of their products.

LIVING THE C.H.I.R.P. WAY

At Wisynco we live by five guiding principles that each employee, at all levels of the company, embraces and applies everyday.

These guiding principles of Compassion, Humility, Integrity, Respect and Passion, that we refer to as **C.H.I.R.P.,** underscore all that we do and how we conduct ourselves on a daily basis. Simply put, this is the Wisynco Way. This continued attention to and belief in the Wisynco Way, throughout challenges that the Company and all our team members have faced during our history of operations, prepared us for the unpredictable challenges encountered during the COVID-19 pandemic. Even though uncertainty loomed and business and lives were incredibly disrupted, as a team we were able to go above and beyond, armed with the guiding principles of C.H.I.R.P. and knew that the Wisynco Way would get us through. To improve the lives of our people we live out our values of…





Integrity

Doing the right thing, even when no one is looking

Passion

Performing with deliberate purpose and enthusiasm

Respect

Treating people the way we want to be treated

What C.H.I.R.P. means to me...

COMPASSION

Harriayanna Grant

Promotions Coordinator - Marketing Division

When you hear the word CHIRP and think of Compassion, to me you draw a connection to a bird. They're always happy, lively, and friendly -- and always seem to strive to be neighbourly. When you're working with a very large company that has thousands of customers and employees with whom you interact daily, sometimes having to show that compassion is hard. No matter what you're feeling, someone could be feeling worse and the simplest act of kindness can change someone's entire day. I have a little recipe for it: 2 oz. of support, 4 oz. of care, 6 oz. of good relationships and an endless amount of love. Be there for your colleagues – not because I'm from one department and they're from another means I'm only supposed to do what I was hired to do. We all work for one company with one mission. Once I can assist anyone I will, that's Compassion.

HUMILITY

O'Neil Stephenson

Driver /Merchandiser - Sales – Full-Service Model (FSM) Division

Humility to me is being aware of one's achievements or position of importance but being free from pride and arrogance. I interact with customers every day, some are good, some are not so good, but to deal with them you have to be humble. When there's an issue and a customer gets upset your first instinct could be to argue with them, but you have to assess, and by talking to them, honestly acknowledging the problem, and calming the situation you can create a customer for life. Being out there tending to people daily, it teaches you the power of humility and saying the right words... approaching it with a smile always because there's no way you can use fire to out fire. At the end of the day when I'm doing my job, I want to get it done to the best of my ability. They need the goods and I'm going to get it to them, so I just have to find ways and means to get it done.

INTEGRITY

Sean Clarke

Packaging (Processing) Operator - Manufacturing Division

My role is a perfect example of the importance of integrity in this business. I'm responsible for a team that handles the mixing of ingredients used for our syrups and for that, certain standards of quality and safety must be maintained at all times. I have to be in constant contact with every manager and supervisor on the quality product being produced and if any error is made, I have to report it to ensure only the best product goes out to the customers. In my department we have a motto, "do it right the first time" ... the Wisynco way, and from the moment we get to the plant that's our focus. For us that comes easy because Wisynco is all about being a family, so the respect is there at every level, no matter how hard the work is we just focus on getting it done and doing it well.

RESPECT

Sanja King

Merchandiser - Sales – Trading Division

Growing up as a youth, mommy and daddy always tell you respect will lead you a far way… at the same time, there are people who want to try to discourage you or lead you astray. You have to look within yourself and know what's right and know that once a person respects you, they'll trust you. Where I work in Port Antonio, I used to have some difficulty with some customers, but once I started to build that relationship with them

All hands on deck as Francois Chalifour, Director of Marketing & Development, and several members of the team took to the streets providing over 300 cases of 3L WATA to residents of our neighbouring communities on World WATA Day in 2019.

the respect was more than 100%. Everything started to flow on a level where people would ask how I got all these customers in my one year of working here. You have to learn to respect everyone at every level and that respect will be returned. You don't know how far it will go when a customer says, "I'm going to call Sanja because the way he treats me it's like it's his own business". You have to make people speak highly of you and wear the brand with pride.

PASSION

Roy Ergus

Site Manager - Operations Division

Passion is the fire that burns within all of us to get the job done the Wisynco Way and doing that requires a great deal of determination and commitment. That passion enables us to have the courage to go places others wouldn't dare to go, try new things and be successful and at Wisynco we do that every day. New ventures are born, new skills are learned, and new brands are built. For me, arriving at work each day, knowing the Company needs my skill to keep the big engine running, is the driving fuel I need to get my job done well every time. One of my main roles is managing the pallet yard, which is a very demanding but necessary part of the process, and without it the place could possibly shut down. Coming in each day, knowing you do such an integral part of the job and being able to motivate the guys to get the job done is part of what drives my own passion for my work.

We all work for one company with one mission.


CRANBERRY
WATA
NATURAL FLAVOURED WATER

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the FOURTH ANNUAL GENERAL MEETING of Wisynco Group Limited (the Company) will be held virtually on Thursday, February 3rd, 2022 at 10:00 A.M.* to consider, and if thought fit, to pass the following Resolutions:

1. **To receive the Audited Financial Statements for the year ended June 30, 2021 and the Reports of the Auditors and Directors thereon.**

   To consider, and if thought fit, pass the following Resolution:

   "THAT the Audited Financial Statements for the year ended June 30, 2021 and the Reports of the Auditors and Directors thereon, be and are hereby adopted."

2. **To re-appoint the Auditors and authorize the Directors to fix their remuneration.**

   To consider, and if thought fit, pass the following Resolution:

   "THAT PricewaterhouseCoopers (PwC), Chartered Accountants, having agreed to continue in office as Auditors, be and are hereby re-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."

3. **To elect Director:**

   In accordance with section 114 of the Company's Articles of Incorporation, Odetta Rockhead-Kerr retires by rotation and, being eligible, offers herself for re-election.

   To consider, and if thought fit, pass the following Resolution:

   "THAT the retiring Director, Odetta Rockhead-Kerr be and is hereby re-elected Director of the Company."

4. **To elect Director:**

   In accordance with section 114 of the Company's Articles of Incorporation, Adam Stewart retires by rotation and, being eligible, offers himself for re-election.

   "THAT the retiring Director Adam Stewart be and is hereby re-elected Director of the Company."

5. **To elect Director:**

   In accordance with section 114 of the Company's Articles of Incorporation, Devon Reynolds retires by rotation and, being eligible, offers himself for re-election.

   "THAT the retiring Director Devon Reynolds be and is hereby re-elected Director of the Company."

6. **To approve the remuneration of the Directors.**

   To consider, and if thought fit, pass the following Resolution:

   "THAT the amount shown in the Audited Accounts of the Company for the year ended June 30, 2021 as fees of the Directors for their services as Directors, be and is hereby approved.

7. **To approve and ratify the final dividend of the Financial Year:**

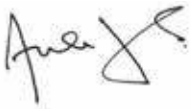
   To consider, and if thought fit, pass the following Resolution:

   "THAT the dividend of 20 cents per share declared on June 28th 2021 and paid on August 5th 2021 be and is hereby ratified and declared the final in the financial year ended 30 June 2021."

SPECIAL RESOLUTION:

8. **To consider any other business which may properly be transacted at an Annual General Meeting.**

By Order of the Board



Andrew Fowles
Company Secretary

Registered Office:
Lakes Pen Road, St Catherine

October 29th, 2021

NOTES:

A member entitled to attend and vote at the meeting may appoint a proxy, who need not also be a member, to attend and so on a poll, vote on his/her behalf. A suitable form of proxy is enclosed.

Forms of Proxy must be lodged either at the Company's Registered Office located at Lakes Pen Road, St. Catherine, or with the Registrar of the Company, the JCSD located at 40 Harbour Street, Kingston, not less than 48 hours before the time of the meeting. The Form of Proxy should bear stamp duty of $100.00 which may be paid by adhesive stamps which are to be cancelled by the person signing the Proxy.

**Due to the COVID-19 pandemic, please continue to check our website, social media pages and the local newspaper(s) for updates and/or changes leading up to our AGM.*

FINANCIAL HIGHLIGHTS

The outlook for our business is extremely attractive!

$3.1B

Net Profit from continuing operations for FY21 $3.1 billion compared to $2.7 billion for FY20.

9.7%

Increase in **Net profit margin from continuing operations** to 9.7% compared to 8.3% for FY20.

$3.8B

18.1% increase in **Profit before Taxation from continuing operations** compared to FY20 which boasted $3.2 billion

$1.125B

The company increased **Dividends to Shareholders** by declaring $1.125b in FY21 compared to $1.050b in FY20.

$0.82

Earnings per share from continued operations increased by 15.5% to 82c per share compared to 71c per share in FY20.

"Wisynconians are the lifeblood of this company. This year especially, we were proud to see their indomitable spirit rise to meet every challenge and remain undaunted."

CHAIRMAN'S & CEO'S REPORT

Living our values, growing stronger

The 2021 financial year greeted us with serious headwinds due to the COVID-19 pandemic which has ravaged the local economy and impacted Jamaicans from all walks of life. It has been a difficult time for many, and we offer our deepest condolences to all who have lost loved ones due to the pandemic and wish all those affected a speedy recovery.

At Wisynco, supporting our employees, especially those on the frontline, and engaging in dialogue to understand their needs and concerns was critical throughout the year. Our actions included contracting private transportation for employees to avoid use of public transport, instituting remote working where possible, social distancing and purchasing personal protective equipment (PPE) to do our best to protect our team and follow all safety protocols. We were united as an executive team, maintaining frequent contact with senior leaders to support them on an ongoing basis while Human Resources (HR) managed the COVID-19 Response Team to bolster the health and well-being of our team.

The fact that we withstood these unprecedented circumstances and maintained comparable revenue results as the prior year, is testament to the tremendous talent, resilience, and commitment of the entire Wisynco team. We are immensely grateful to our team who were united in supporting each other, who remained dedicated to serving our customers and gave back to the communities in which we operate.

Wisynconians are the lifeblood of this company. This year especially, we were proud to see their indomitable spirit rise to meet every challenge and remain undaunted. We believe that leading by the Wisynco Way with Compassion, Humility, Integrity, Respect, and Passion (CHIRP) is at the core of this ability to remain strong in the face of adversity and will undoubtedly propel us forward into stronger growth for the future.

STEADY PERFORMANCE

Despite the challenges experienced during the review period ending June 30, 2021, revenue from continuing operations was $31.8 billion or 1.1% less than the $32.2 billion of the prior year. We also recorded $11.1 billion in Gross Profit for the year which was essentially the same as the prior year and our Gross Margin was 34.9%

1.9%

Dividend yield for shareholders

$11.1B

Gross Profit

41%

All Export Revenue over FY20

$31.8B

Revenues from continuing operations

We thank our dedicated Wisynco Team, for your continued support. We are committed to keep on building an environment that you want to be a big part of and where you can thrive.

compared to 34.4% for the FY20.

We achieved these results through expert fiscal prudence, taking a strategic approach to managing expenses and containing costs while not restricting business and other areas of revenues.

In addition, our continued drive into export markets was a strong contributor to performance, registering a 41% revenue growth over Fiscal 2020. The US market performed well, and we saw a significant increase in export revenue for BIGGA Soft Drink during the second half of 2021 from shipments to the United Kingdom (UK).

We also demonstrated our ability to adapt creatively to shifting consumer patterns. As sales dipped, we expanded our footprint in the supermarket channel, recording good growth in categories such as Bigga, Coca Cola, Boom, ice-cream, cereals, and confectionery. Our efforts bore fruit as during the final quarter of the year, we experienced good recovery in all channels.

In line with our ambition to serve our customers while at the same time provide attractive returns for our shareholders, we are proud to report that in the year under review, Wisynco had the highest pay-out in dividends to shareholders ($0.30c per share) in its history as a public company, delivering approximately 1.9% dividend yield for our shareholders.

ABOVE AND BEYOND FOR 2022

Although it has been a difficult year for the Jamaican economy, the outlook is extremely positive. With the resumption of international travel and the reopening of the hotel sector, along with a gradual return to normal activity, we see a bright future ahead with many opportunities. The market is anticipated to keep on growing, and we have every confidence that Wisynco will continue to grow with it as we emerge from this pandemic.

We are in a strong position and will continue to pursue our key business strategies to diversify, expand and innovate. The diversity of our portfolio is a competitive advantage which we will continually leverage. We are developing our innovation pipeline with new products to be launched by the end of the 2022 financial year, exports will remain a key pillar of growth, and we are expanding our reach into Western Jamaica with a new distribution centre.

Going forward we will continue to play our part in helping Jamaica recover stronger and return to growth. We aim to grow our top line aggressively whilst improving the bottom line. Our strategy will be to invest and deploy funds where we know it will drive growth and enable us to outperform and deliver strong returns on equity to shareholders and dividends.

We close by expressing gratitude. Firstly, thank you, our dedicated Wisynco Team, for your continued support. We are committed to keep building an environment that you want to be a big part of and where you can thrive. We are also grateful to our shareholders for your belief in us as we embrace the possibilities to grow above and beyond. We also thank our Board and Executive Team for banding together tightly to steer the ship through these turbulent times.

Finally, we want to give 'maximum respect' to all the healthcare professionals and workers who are at the frontline of this pandemic. Your contribution to Jamaica cannot be quantified. We encourage you to stay optimistic as we continue to ride this wave together. Wisynco will continue to go above and beyond.

ALL ABOARD
THE BOARD OF DIRECTORS

William Mahfood
Chairman

William was appointed Chairman of the Board in 2014. He holds a B.Sc. in Industrial Engineering & Management Information Systems from North Eastern University.

He started his career with Wisynco Trading Limited as Warehouse Supervisor back in 1988. He then moved to Wisynco Group Limited where he served as Co-Director, Managing Director and Director for Wisynco Group.

William has served on many Boards during his career. This includes serving as President of the Private Sector Organization of Jamaica (PSOJ) for two years and serving as a Director of United Estates Limited, Trade Winds Citrus Limited, Worthy Park Estate and The Jamaica National Group.

Andrew Mahfood
Chief Executive Officer

Andrew is the Chief Executive Officer (CEO) of Wisynco Group Limited. Andrew worked at PriceWaterhouse North York, Ontario Canada for 3 years before moving to Wisynco Trading Limited as the Financial Controller in 1991. He then went on to become Group Finance Director for 6 years before being appointed CEO.

He is a Chartered Accountant and member of the Chartered Professional Accountant (CPA) Association in Ontario, Canada. He graduated from Boston College with a B.Sc. in Finance, Economics and Computer Science.

Andrew serves on the Boards of Wisynco Group Limited, Convenient Brands Limited, Food for the Poor Jamaica, Trade Winds Citrus Limited, Worthy Park Estate, United Estates Limited and Seville Development Corp.

ALL ABOARD
THE BOARD OF DIRECTORS

François Chalifour
Director of Marketing & Development

Currently the Director of Marketing & Development of Wisynco Group Limited, Francois began his career in Montreal Canada during the early 1990s as an Auditor for Richter, Usher & Vineberg; and subsequently as Financial Controller at Bariatrix International. He moved to Jamaica to work with The Jamaica Drink Company Limited where he served as Managing Director for 8 years. As Jamaica Drink was amalgamated into The Wisynco Group Limited, Francois continued his role overseeing manufacturing of the Company's beverage brands. In 2012, he took on the role of Director of Marketing and Development for the entire Group.

François has a Degree in Administrative and Commercial Studies from the University of Western Ontario, and a Degree in Accounting from the University of Laval, Canada. He is a member of the Chartered Professional Accountant (CPA) Association of Quebec.

François serves on the Boards of Recycling Partners of Jamaica, Wisynco Group Limited, Convenient Brands Limited, CGM Gallagher, United Estates Limited and Trade Winds Citrus Limited.

Andrew Fowles
Group Company Secretary

Andrew worked at PriceWaterhouse as a Group Manager and at Jamaica Broilers as Project Co-ordinator, before joining West Indies Synthetics in 1987 as Financial Director. He left in 1995 to set up his own consulting practice, and now serves a wide range of corporate clients throughout Jamaica.

Andrew is a member of the Institute of Chartered Accountants in both Scotland and Jamaica.

He was appointed Group Company Secretary in 2005 and sits on the Boards of Seville Development Corporation Limited and Xsomo International Limited.

Devon H. Reynolds

Director of Manufacturing

Devon has served as Maintenance Manager, Assistant Plant Manager, Plant Manager, General Manager, Managing Director and now Director of Manufacturing. Devon has been with the Company for 36 years, a Director for over 25 years, of which he has been the Director of Manufacturing for over 10 years.

Prior to working at Wisynco Group Limited, Devon started his work experience as a Maintenance Engineer at Thermo-Plastics Jamaica Limited, where he became a supervisor. He went on to the Plastic Corporation of Jamaica as a Production Factory Foreman and was later promoted to Plant Manager. He returned to Thermo-Plastics as the Production Manager.

Devon has a Diploma in Electrical and Electronics Engineering from UTECH (formerly the College of Arts, Science & Technology), and received certification and training in Supervisory Management, Injection Moulding, Production Management, Industrial Relations, Flexible Packaging and Advanced Executive Management Development.

Odetta Rockhead-Kerr

Non-Executive Director

Odetta has over 20 years of experience in the outsourcing (BPO), technology and transformation space, where she has spent most of her career as a senior executive after being promoted to the position of Vice President at age 25 in a US Fortune 500 Multi-National.

Odetta is the Founder/CEO of GOFFAH Global, an e-Commerce platform, and of Vanquish Consultancy, both of which were launched following her impactful leadership within Sutherland Jamaica where she enabled record breaking success in her capacity as Country Head and Vice President. Prior to this, she was a senior global leader at Xerox, where not only was she the first non-expatriate and one of the first females to assume a role at this level, but she was also the first Vice President outside of North America.

Odetta is qualified at the graduate level in Business with focus on Management and Marketing.

Odetta is a member of the Company's Audit & Risk, and Compensation & Corporate Governance Committees.

ALL ABOARD
THE BOARD OF DIRECTORS

John Lee
Non-Executive Director

John is a Director of 138 Student Living, having conceptualised and implemented the idea in 2013 of 'on campus' student housing.

Up to retirement in 2013, John was a Director/ Partner in PricewaterhouseCoopers Tax and Advisory Services Limited, with 35 years of accounting and business experience obtained through corporate and project finance, insolvency and business turnaround, litigation support and auditing assignments in local and international capital markets.

John holds a M.Sc. in Finance and is a retired member of the Association of Chartered Certified Accountants ("ACCA").

John is the Chairman of the Company's Audit & Risk and a member of the Compensation & Corporate Governance Committees.

Adam Stewart
Non-Executive Director

Adam is the Executive Chairman of Sandals Resorts International, one of the world's leading resort companies; and the ATL Group, Jamaica's longest standing automotive and appliance distributors with expanded region-wide operations.

In 2016, Adam received the Order of Distinction (Commander Class) for outstanding contribution to tourism and the hotel industry. He leads the Tourism Linkages Committee in the capacity of Chairman and was recently appointed to the Executive Committee for the World Travel and Tourism Council.

Adam is a member of the Company's Compensation & Corporate Governance Committee.

Lisa Soares Lewis

Non-Executive Director

Lisa is the Founder/CEO of Great People Solutions, which was created following her Human Resources Director roles at DIAGEO Jamaica (Red Stripe) and North Latin America and the Caribbean. Her career has spanned 20+ years across a range of local and global businesses in banking, telecoms, and FMCG. Her roles covered general management consulting, end-to-end human resource management, corporate and commercial banking and corporate governance.

Lisa is trained in performance diagnostics and breakthrough performance coaching. She has undertaken and held leadership roles in global transformational projects and is known for delivering compelling results. She has a B.Sc. in Industrial Engineering and an MBA in Finance and Marketing from UWI; and has held the Professional in Human Resources and Senior Professional in Human Resources designation.

Lisa chairs the Compensation & Corporate Governance Committee and is a member of the Audit and Risk Committee.

We are also grateful to our shareholders for your belief in us as we embrace the possibilities to grow above and beyond. We also thank our Board and Executive Team for banding together tightly to steer the ship through these turbulent times.


STEP
02
STEP
01
Annette Morrison
Leilani Hunt
N. Craig Clare
Vanessa Young

MISSION CONTROL

THE EXECUTIVE MANAGEMENT TEAM

MISSION CONTROL
THE EXECUTIVE MANAGEMENT TEAM

William Mahfood
Chairman

Andrew Mahfood
Chief Executive Officer

François Chalifour
Director of Marketing & Development

Devon H. Reynolds
Director of Manufacturing

Halcott Holness
Head of Sales

Halcott was appointed Head of Sales in 2007. He has experience in managing large distribution/sales divisions and implementing automated sales/distribution systems.

He was a Production Supervisor at Dairy Industries Limited and was also an Assistant Sales Manager at Gator Ltd, Business Manager at Walisa T&T Limited, and Sales & Marketing Export Manager at Wisynco Group Limited. He went on to become the National Sales Manager of the Wisynco Group.

Halcott has a master's degree in Business Administration from Nova Southeastern University and a B.Sc. in Management studies from the University of the West Indies, Mona.

Tabitha Athey
General Manager, Full Service Model (FSM)

Tabitha currently heads the sales transformation and distribution project as a member of Wisynco's Executive Management Committee. With over 15 years of experience in sales, marketing, business operations, management, and business development, she previously worked at VIP Attractions as Chief Executive Officer, Ritz Carlton Hotel Company, and Sysco Foods.

Tabitha holds an MBA from Hult International Business School and a BSBA in International Business from the University of Nebraska.

N. Craig Clare
Head of Operations

Currently the Head of Operations, Craig has served the Wisynco Group Limited in manufacturing as the Assistant to the Director of Manufacturing and Group Engineer since 2012. Prior to his stay at Wisynco, Craig's occupation was in construction project management.

He has a Bachelor of Engineering (Civil) from McGill University in Montreal, Canada, and a Master of Business Administration from Tias Nimbas in Utrecht, Netherlands. Craig is also currently certified and registered as a Professional Engineer at the Professional Engineering Registration Board (PERB) in Jamaica.

Christopher Ramdon
Chief Information Officer

Christopher currently serves as the Chief Information Officer at Wisynco Group Limited where he oversees all hardware and software, telecom and systems infrastructure.

He has a B.Sc. in Electronics and Physics from the University of the West Indies and a Master of Business Administration in Finance and Operations with emphasis in Brand Management, from the Vanderbilt University's Owen Graduate School of Management. His areas of expertise also include Project Management and Business Process Improvement, ERP implementation, Strategic Planning and execution and IT Security Policy implementation.

Jacinth Bennett

Group Financial Controller

Jacinth became the Group Financial Controller of Wisynco Group Limited in August 2006.

Her career started as an Input Clerk/ Teller at NCB. She served as a Cost Accountant at Caribbean Casting Limited, Senior Accountant at PricewaterhouseCoopers, Financial Controller at Partner Foods Limited and then at Sugar Company of Jamaica before assuming her current role at Wisynco Group Limited.

Jacinth, a qualified ACCA, sits on the Board of Covenient Brands Limited.

Annette Morrison

Group Head of Human Resources

Annette joined Wisynco Group Limited in April 2018 with over 20 years of experience within the human resource management field. She is responsible for developing and executing Wisynco's people strategy. Prior to Wisynco, Annette was the Head of Talent & Global Mobility at GraceKennedy Limited. She also held senior HR roles at Lascelles deMercado / J. Wray & Nephew Limited, including General Manager – Customer & Employee Experience.

She has a B.Sc. in Psychology and Management Studies and a M.Sc. in Human Resource Management. Annette also holds the designation of certified Global Professional in Human Resources (GPHR).

Leilani Hunt

Corporate Finance & Risk Officer

Leilani joined Wisynco Group Limited in 2017 as Chief Internal Auditor. In that role, she reported directly to the Audit & Risk Committee, and successfully established the Company's internal audit function. Leilani currently serves as the Corporate Finance & Risk Officer, and is responsible for risk management, long-term financial planning & analysis, capital transactions, and other strategic finance-related projects.

Leilani began her career in Atlanta GA, working at Wells Fargo Financial and Ernst & Young, followed by a 7-year tenure at PricewaterhouseCoopers in Switzerland. She is a Certified Public Accountant and holds a B.Sc. in Accounting from Oglethorpe University and a B.A. Degree in Spanish from the University of Virginia.

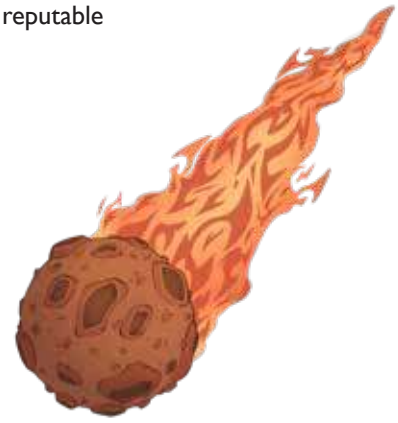
Vanessa Young

In-House Counsel and
Assistant Corporate Secretary

Vanessa joined Wisynco Group Limited in May 2021 in the position of In-House Counsel and Assistant Corporate Secretary.

She is responsible for developing and implementing processes to promote and sustain good corporate governance and ensuring that the Company complies with relevant legislations and regulations, as well as provide counsel, guidance and support on legal matters.

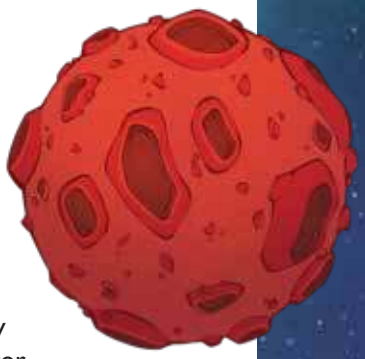
Vanessa is a qualified Attorney-at-Law and was called to the Bar in Jamaica, holding a Bachelor of Laws (LLB) (Hons) degree from the University of the West Indies as well as the Certificate of Legal Education from the Norman Manley Law School. Prior to joining the team, Vanessa practiced at two reputable private commercial law firms.



CG

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE



The Board

The Board of Directors ("the Board" or "the Directors") of Wisynco Group Limited ("Wisynco" or "the Company") is tasked with creating and improving shareholder value, including the responsibility to create strategic objectives and to develop and monitor the frameworks that will guide the Company towards achieving these objectives. The Board monitors and evaluates financial reporting and facilitates the monitoring of operations that have the potential to impact profit trends. Board meetings also address the goals and strategies for the operations, significant acquisitions and investments, as well as matters relating to the capital structure.

Senior executives report business plans and strategic issues to the Board on an ongoing basis. The Board, with the assistance of its Audit & Risk Committee and Compensation & Corporate Governance Committee, is continuously reviewing and developing internal policies and guidance to ensure that the Company is following both local and international best practices.

Board proceedings during the year

During the Financial Year, four (4) Meetings were held. The Board addressed key strategic issues related to opportunities within new markets, diversification within current markets and key environmental issues. The executive management of all business areas presented their goals and strategies for the year ending June 2021. The Board also addressed matters related to human resources, such as environment, health and safety, and issues concerning investments and the review of previously made investments, as well as future acquisitions and divestments and capital projects.

To close the year's activities, the board engaged in a directors' training course on June 16, 2021 facilitated by Mrs. Suzanne Goldson. The theme was "Corporate Governance: Current & Emerging Trends" and it provided an overview of corporate governance, relevant legislation and codes, explored the duties and obligations of boards, examined global trends in light of COVID-19 and explored safe harbour mechanisms.

Composition of the Board

At June 30, 2021 the Board comprises eight (8) Directors, of which four (4) Executive Directors (including the Chairman and CEO) and four (4) are Non-Executive, Independent Directors.

To view Wisynco's Corporate Governance Guidelines, please visit www.wisynco.com under the "Corporate" tab, select "Investor Relations".

A person who is independent of the Company is someone who is free of any interest, position, association or relationship and who is not an employee of the Company or any affiliated entity. Such a person should

(a) not be a recent employee of the Company within the preceding three (3) years;

(b) not be a close family member of any non-independent Director or senior executive of the company;

(c) not have directly or indirectly had a material commercial or business relationship with the Company within the preceding three (3) years; or

(d) not be employed or serve as a senior executive of any other company where any of the Company's other Directors or senior executives serve or are employed.

Each Director is obliged to possess and maintain a diversity of skill and expert knowledge in the execution of their responsibilities. Additionally, each Director must bring on a continuing basis sound judgement to the Board and effectively contribute to all matters considered. All Directors of the Company understand and act in accordance with their fiduciary duties and are equally responsible and accountable for proper and effective management of the Company.

Each year, at the Company's Annual General Meeting, one third of the Company's Directors shall retire by rotation in accordance with the Company's Articles of Incorporation and if eligible shall offer themselves for re-election.

Board Sub-Committees

There are two (2) sub-committees of the Board, being the Audit & Risk Committee and the Compensation and Corporate Governance Committee. These Committees are comprised of a mix of Independent, Non-Executive and Executive Directors who meet to discuss and review the key matters that fall within the scope of their responsibilities.

Each sub-committee has its own Charter which can be accessed at ***www.wisynco.com*** through the Investor Relations tab.

These responsibilities of each Committee are discussed in greater detail below.
Board members are as follows and their attendance at Board Meetings was as follows:

Board Meeting Attendance

William Mahfood, *Executive Chairman*	4/4
Andrew Mahfood, *CEO*	4/4
John Lee, *Independent & Non-executive*	4/4
Lisa Soares Lewis, *Independent & Non-executive*	4/4
Adam Stewart, *Independent & Non-executive*	4/4
Odetta Rockhead-Kerr, *Independent & Non-executive*	4/4
Francois Chalifour, *Executive*	4/4
Devon Reynolds, *Executive*	3/4

The Audit & Risk Committee

The Audit & Risk Committee is established for the primary purpose of assisting the Board with the oversight of the Company's internal audit functions, the financial reporting processes, the qualification and independence of external auditors and compliance with legal and regulatory requirements.

At present, three (3) Independent, Non-Executive Directors are members of and form the majority of the Audit & Risk Committee, which is chaired by John Lee. The CEO and Chairman of the Board are also members of the Committee, bringing the Committee's total membership to five (5) Directors.

The Audit & Risk Committee is scheduled to meet at least four (4) times per year and its meetings are scheduled to coincide with key events or dates in the Company's financial reporting calendar. The Audit & Risk Committee will agree on an annual schedule of meetings and the principal items to be discussed at these meetings.

Committee members are as follows and their attendance at Committee Meetings was as follows:

Audit & Risk Committee Meetings

John Lee, *Chairman*	6/6
William Mahfood, *Member*	6/6
Andrew Mahfood, *Member*	6/6
Lisa Soares Lewis, *Member*	6/6
Odetta Rockhead-Kerr, *Member*	6/6

In summary, the responsibilities of the Audit & Risk Committee include:

i. Financial Reporting: overseeing the integrity of the Company's financial statements and other documents relating to the Company's financial performance and overseeing the Company's internal controls, related party transactions and statutory and regulatory filing compliance;

ii. External Auditors: reviewing the annual appointment of the external auditor and recommending subsequent approval by the Board, overseeing and reviewing the services the external auditor is to provide to the Company, as well as monitoring their independence, objectivity and effectiveness, and fees.

iii. Internal Audit: examining and overseeing the Company's Internal Audit plans for the year, reviewing the performance of the Internal Audit department, reviewing recommendations for improvements and implementation thereof and overseeing the resolution of any matters raised in relation to internal audit.

iv. Enterprise Risk Management:

- Monitor the Company's enterprise-wide risk exposure;
- Oversee the risk management strategy to assess and mitigate risk;
- Oversee that risks are mitigated to an acceptable level through internal controls or other strategies.

v. Protected Disclosures / Whistle-Blower Reports: reviewing and overseeing any protected disclosure or report made by an employee. The Committee may also review and oversee reports made by outside third parties which require careful and confidential investigation.

For the Company's Audit & Risk Committee Charter, please visit www.wisynco.com and click on the Investor Relations tab.

The Compensation and Corporate Governance Committee

All four (4) Independent, Non-Executive Directors are members of and form the majority of the Compensation and Corporate Governance Committee, which is chaired by Lisa Soares Lewis (Independent Director). The CEO and Chairman of the Board are also members of the Committee, bringing the Committee's total membership to six (6) Directors.

Tasked with reviewing and developing the Company's corporate governance code, sub-committee charters, internal policies and governance guidance on an ongoing basis, the Compensation and Corporate Governance Committee is always at work to ensure that the Company is following best practices at both an industry and a commercial level, in the context of the social, regulatory and consumer environment. The Chairman of the Compensation and Corporate Governance Committee liaises with the Company Secretary to determine the timing and frequency of meetings. The Committee is charged with meeting at least once per calendar year, but as often as necessary to fulfil its mandate. Committee members are as follows and their attendance at Committee Meetings was as follows:

Compensation and Corporate Governance Committee Meetings

Lisa Soares Lewis, *Chairman*	1/1
William Mahfood, *Member*	1/1
Andrew Mahfood, Member	1/1
John Lee, Member	1/1
Odetta Rockhead-Kerr, Member	1/1
Adam Stewart, Member	0/1

In summary, the responsibilities of the Compensation and Corporate Governance Committee include:

(a) Compensation of Non-Executive Directors;

(b) Annual review of the remuneration policies for Executive directors and

senior officers, including material benefits;

(c) Review of the organization structure and succession plan;

(d) Review of the systems and processes, by which the operations of the Company are directed; and

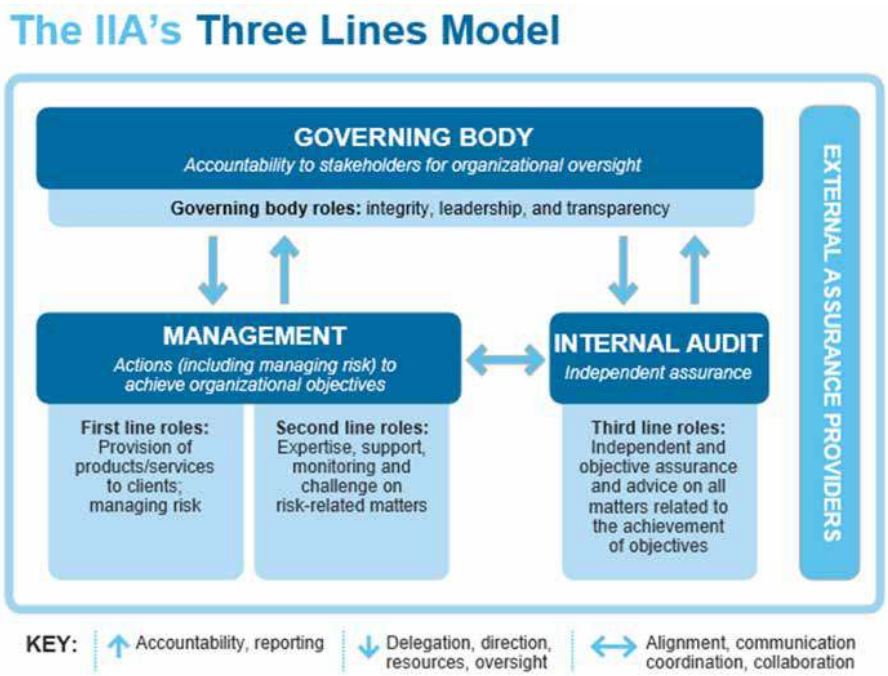
(e) Monitor and report on the policies, practices and decisions of the company, and their effects on its customers, employees and stakeholders.

For the Company's Compensation & Corporate Governance Committee Charter, please visit www.wisynco.com and click on the Investor Relations tab.

Risk Management and Internal Controls

Wisynco recognizes that effective risk management is not about eliminating risk taking, which is a fundamental, driving force in business, entrepreneurship, and innovation. Rather, Wisynco uses an enterprise-wide risk management framework that serves to identify both positive (opportunities) and negative (threats) risks.

Wisynco continues to enhance its governance and risk processes and employs the Three Lines Model to mitigate negative risks or threats. The Three Lines Model helps identify structures and processes that best assist the achievement of objectives and facilitates strong governance and risk management.



This framework allows the Board to:

1) make informed decisions about the acceptable level of risk,

2) implement the necessary safeguards and controls to mitigate risk, and

3) align our strategic objectives with company policies and practices, thereby increasing shareholder value.

The Audit & Risk Committee conducted its annual review and approval of the Company's risk profile.

CG


Enjoy the moments with Wisynco products!

CORPORATE DATA

Executive Directors

Chairman:
William Mahfood
CEO: Andrew Mahfood
Directors:
François P. Chalifour
Devon H. Reynolds

Independent Non-Executive Directors

John Lee
Lisa Soares Lewis
Adam Stewart
Odetta Rockhead-Kerr

Group Company Secretary:

Andrew Fowles

Registered Head Office
Wisynco Group Limited
Lakes Pen, Spanish Town
St. Catherine, Jamaica
Tel: 876.665.9000
Fax: 876.633.5977
Website: www.wisynco.com

ATTORNEY

Debbie-Ann Gordon and Associates

79 Harbour Street
Kingston, Jamaica

BANKERS

National Commercial Bank Jamaica Limited

Corporate Banking Division
The Atrium
32 Trafalgar Road,
Kingston 10, Jamaica

Bank of Nova Scotia Jamaica Limited

Corporate & Commercial Banking Centre
Cnr. Duke & Port Royal Streets,
2nd Floor,
Kingston, Jamaica

Citibank

111 Wall Street,
New York, NY 10043, USA

Citibank Jamaica

19 Hillcrest Avenue,
Kingston 6, Jamaica

AUDITORS

Pricewaterhouse Coopers
Scotiabank Centre,
Duke Street, Box 372
Kingston, Jamaica

Top 10 Shareholders *Wisynco Group Limited as at June 30 2021*

Name of Shareholder	Units	% Ownership
1. Wisynco Group Caribbean Limited	2,776,183,736	74.0316%
2. ATL Group Pension Fund Trustees Nom Ltd.	54,887,475	1.4637%
3. GraceKennedy Pension Fund Custodian Ltd.	32,922,285	0.8779%
4. Sagicor Select Fund Ltd. ('Class C' Shares) Manufacturing & Distribution	30,964,303	0.8257%
5. SJIML A/C 3119	30,148,676	0.8040%
6. Guardian Life Limited	29,341,646	0.7824%
7. Devon Hugh Reynolds	29,229,613	0.7795%
8. National Insurance Fund	28,571,979	0.7619%
9. Francois Chalifour	27,053,295	0.7214%
10. Sagicor Pooled Equity Fund	23,913,562	0.6377%

Shareholdings of Directors *as at June 30 2021*

Directors	Direct	Connected Parties	Total
*William Mahfood	696,431	2,781,179,474	2,781,875,905
*Andrew Mahfood	527,763	2,780,819,959	2,781,347,722
Francois Chalifour	27,053,295	4,476,223	31,529,518
Devon H. Reynolds	29,229,613	0	29,229,613
John Lee	0	5,546,491	5,546,491
Lisa Soares Lewis	3,167,600	0	3,167,600
Adam Stewart	0	1,938,936	1,938,936
Odetta Rockhead Kerr	113,715	0	113,715

**These Directors have a beneficial holding in Wisynco Group Caribbean Limited, which owns 74.03% of Wisynco Group Limited in addition to other connected party holdings.*

Shareholdings of Senior Executives *as at June 30 2021*

Senior Executives	Direct	Connected Parties	Total
Andrew Fowles	2,225,300	0	2,225,300
Christopher Ramdon	2,202,383	0	2,202,383
Halcott Holness	2,085,333	0	2,085,333
Jacinth Bennett	1,220,000	0	1,220,000
Tabitha Athey	787,420	0	787,420
N. Craig Clare	776,318	0	776,318
Leilani Hunt	485,059	0	485,059
Annette Morrison	100,000	0	100,000
Vanessa Young	0	0	-

Above & Beyond

Wisynco Group Limited ushered in the 2021 financial year facing a dynamic and volatile operating environment due to the COVID-19 pandemic. The rapid spread of the virus had led to global travel restrictions, border closures, quarantines, supply chain disruptions and lower consumer demand on a global scale. Jamaica was not spared the ravages of the pandemic, and it had curtailed activity, most noticeably within the hotel and hospitality industry, bars, entertainment and schools.

It is a testament to our resilience at Wisynco, that we rose above and beyond such unprecedented challenges to embrace a new way of working and deliver a strong set of results.

Wisynco is proud to report that we successfully preserved our operations and delivered Revenue and Gross Profit at essentially the same level as the prior year. We are equally proud that Return on Shareholder Equity was approximately 22%, effectively positioning Wisynco in the top echelon of publicly traded companies locally.

This remarkable achievement in an extremely uncertain financial year is truly the result of team effort. Operating in a complex environment is a test of leadership and this year has proven that we have an outstanding team. We credit our dedicated team members, especially our entire frontline teams, along with our managers and executive management team, as the driving factor behind a commendable performance. We would also like to thank our board of directors for their strategic guidance and leadership during this challenging period.

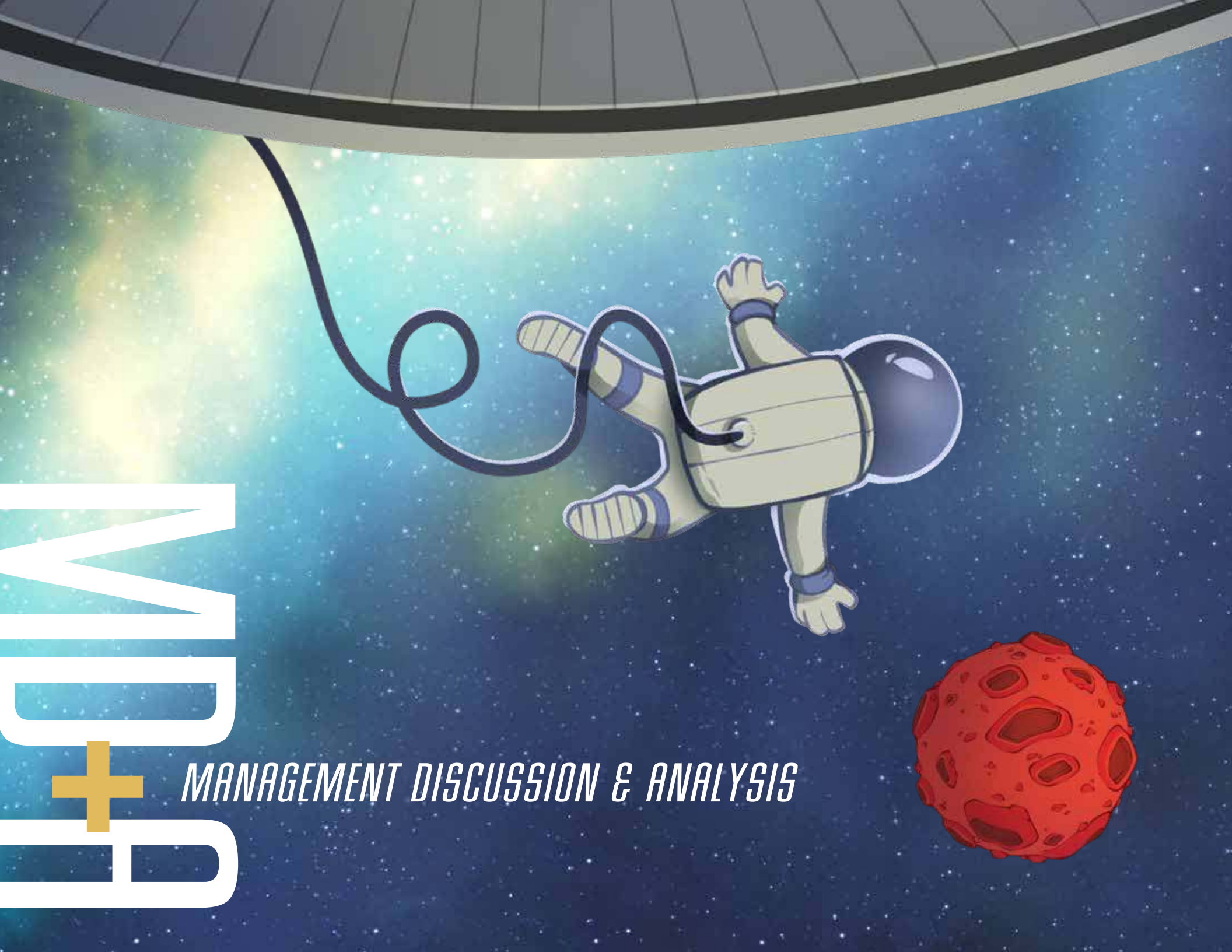
ENGAGING OUR PEOPLE

Throughout the pandemic, the health and wellbeing of our employees has been our priority. We were united as an executive team, maintaining regular contact with senior leaders to provide support on an ongoing basis, while our Human Resources department (HR) continued to lead the COVID-19 Response Team.

From the onset, we implemented a range of measures to preserve the safety of both our employees and customers. These involved working from home where possible, social distancing and mandatory safety protocols including use of personal protective equipment and sanitization.

We engaged in frequent dialogue with employees, especially those on the frontline such as our Sales and Merchandising team, to understand their concerns and evolving needs. We also contracted private buses and expanded our existing transportation program for Team Members so they could avoid using public transportation and adhere to safety protocols.

Wisynco is a highly engaged company where leaders have multiple touch points with our



MD+A

MANAGEMENT DISCUSSION & ANALYSIS

MD+A

We were able to launch Tru Milk, Tru Almond, Tru Moo and Tru Shake. The line performed well during its launch year.

Team and face-to-face meetings. Adapting to a virtual way of working was therefore very challenging and HR made special effort to bring our core Wisynco values to life. We look forward to eventually being able to gather in-person and further embed the Wisynco Way of Compassion, Humility, Integrity, Respect, and Passion (CHIRP) amongst all team members.

MANAGING EXPENSES & GENERATING REVENUE

We harnessed the collective strength of the team and acted swiftly in adjusting revenue projections and implementing measures to hold gross margin steady and manage expenses, whilst not restricting business operations.

Our multi-pronged approach to cost containment included reducing or eliminating expenditure associated with marketing activities, given that events, promotions, and sampling activities were cancelled. In addition, we reduced advertising spend in the areas that experienced low visibility as a result of the pandemic-imposed restrictions and reduced activity generally.

We also restructured the foodservice team during the year and introduced Telesales as part of a move towards greater efficiency in serving our customers. This was initially planned for December 2019 but was delayed to May 2020.

Although there was upward movement in prices of certain materials, Wisynco was not as exposed to those as other companies in the market due to the high local value-added components in our processes. However, the movement of the Jamaican dollar caused some price increases to consumers to offset those costs.

MEETING CONSUMER NEEDS

Adapting to shifting consumer patterns was a key pillar in our strategy to sustain revenue. As sales dipped, we expanded in the supermarket channel to better serve consumers who had increased their at-home consumption. As a result, we achieved good growth to supermarkets in our core brand categories and others such as ice-cream, cereals, snacks, and confectionery. However it is note-worthy that during the final quarter of the year, we experienced good recovery in all channels.

EXPORT

Our continued drive into export markets was another strong contributor to performance, delivering 41% Revenue growth over FY20. We saw significant increase in the US market, largely driven by the diaspora in areas like South Florida, New York and Atlanta, Georgia. Additionally, we had good success in Canada with some new customers coming on board.

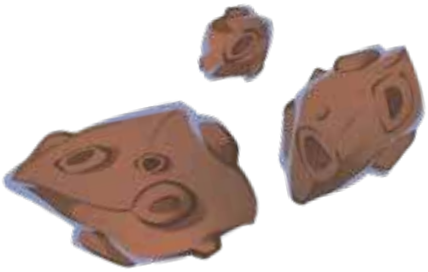
We also achieved exceptional growth in exports destined for the United Kingdom (U.K.) with an estimated 60% increase in export revenue for BIGGA Soft Drink during the first half of FY21. This was enabled by the expansion of our manufacturing facilities at Lakes Pen, St. Catherine.

INNOVATION

During the year, one of our strategic partners entered dairy production, and we were able to launch Tru Milk, Tru Almond, Tru Moo (flavoured milk) and Tru Shake, the latter being a competitively priced meal replacement product. Given the attractive price point and relevant consumer proposition, the line of Tru Dairy products performed well during its launch year.

OPERATIONAL EFFICIENCY

Wisynco's expansion into co-generation generated some 35 to 40% recorded energy savings since the July 2020 implementation of our two-megawatt liquefied natural gas (LNG) and solar plants. This sizeable savings will support efforts to improve our bottom line in the face of rising fuel costs.



Financial Highlights

Revenue

Revenues from continuing operations for the year ended June 30, 2021, was $31.8 billion or 1.1% less than the $32.2 billion of the prior year. The closure of hotels, restaurants, bars and schools contributed to this slight decline in Revenue, which up until this year had experienced consistent annual growth.

Notably, good recovery in all channels during our final quarter for Fiscal 2021 resulted in a 17.1% Revenue growth over the same period of the prior year, which brought us close to achieving the same revenue result as the prior year.

Gross Profits

Gross Profit for the year was $11.1 billion or essentially the same as the prior year and our Gross Margin was 34.9% compared to 34.4% for Fiscal 2020.

Net profit

Net profit for the year, from continuing operations, was $3.1 billion compared to $2.7 billion for the prior year. Our net profit margin of 9.7% for FY21 was greater than the 8.3% realized for FY20 and reflected an improvement of 14.8% over the prior year.

Selling, Distribution & Administrative expenses

With expert fiscal prudence we reduced our selling, distribution & administrative expenses for the year to $7.6 billion, 7% less than the $8.2 billion of the prior year. Our expense to sales ratio for the year improved from 25.3% last year to 23.8% this year.

Trade & Other Payables

Trade payables increased 37.5% to 4.6 billion from $3.3 billion in the previous reporting period. With containers coming

Estimated 60% increase in export revenue for BIGGA Soft Drink during the first half of 2021.

MD+A

Looking ahead we see a bright future on the horizon. Emerging from this pandemic, we are confident that Wisynco will bounce back even stronger and return to double digit growth.

from South/Central America experiencing delays in the Suez Canal due to the pandemic, we stockpiled sugar to prevent product shortages and safeguard future production. This drove a corresponding increase in payables.

Finance Income

Interest income improved over the prior year by approximately $56 million.

Earnings per Share (EPS)

Earnings per share for the year, from continuing operations, was 82c per share or 15.5% greater than the 71c for the last year.

Dividend Payout

A dividend of 20c per share was declared on June 28, 2021, and has been accrued in the June 30, 2021 audited financial statements. This dividend, along with the dividend of 10c per share declared on January 28, 2021, brings the dividend for Fiscal 2021 to 30c per share (18c Fiscal 20) or a dividend yield of 2.8% (1.5% Fiscal 20), based on the closing stock price at June 30, 2021.

This is Wisynco's highest pay-out in dividends to shareholders since becoming a public company.

EMERGING STRONGER

Looking ahead we see a bright future on the horizon. Emerging from this pandemic, we are confident that Wisynco will bounce back even stronger and return to double digit growth.

The tourism outlook is very positive for the next five years, Jamaica is ripe with opportunity across various sectors, and we anticipate that the market will continue growing.

As a major supplier to most of the hotels

Five Year Financial Highlights

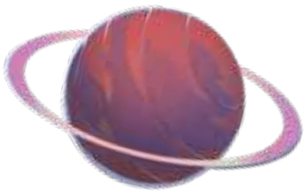
Year ended 30 June	FY 2017 $'000	FY 2018 $'000	FY 2019 $'000	FY 2020 $'000	FY 2021 $'000
Revenue (from continued operations)	$21,381,665	$24,544,049	$26,939,227	$32,170,426	$31,816,430
% Change YOY	5.1	14.8	9.8	19.4	(1.1)
Gross Margin (%)	34.6	37.2	37.4	34.4	34.9
Net Profit After Tax	2,446,472	2,292,925	2,542,165	2,662,667	3,072,300
EBITDA	3,480,861	3,804,507	4,260,465	4,472,670	5,043,640
EBITDA Margin (%)	16.3	15.5	15.8	13.9	15.9
Net Profit Margin (%)	11.4	9.3	9.4	8.4	9.7
Debt: Shareholders' Equity	0.3	0.3	0.2	0.2	0.1
S&D & Admin Expenses to Sales (%)	26.2	26.0	26.8	25.3	23.8
ROE (%)	32.4	26.4	22.9	20.5	21.9

on the island, the resumption of international travel and reopening of the hotel industry augurs well for our business. We already experienced an uptick in sales during the final quarter of Fiscal 2021 and we are projecting a continued upward trend for Fiscal 2022.

To achieve our strategic vision to deliver long-term sustainable growth and corresponding shareholder value, we are investing in several avenues including:

- Expanding our reach into Western Jamaica by investing in a new distribution centre in Trelawny. Wisynco's strength in distribution is a tremendous competitive advantage and we believe that continuing to improve and invest in that distribution prowess is the biggest source of potential gains going forward.
- Launching more innovation from our pipeline by the end of our 2022 financial year to attract consumers in new market segments and channels. We are planning a range of new product launches as well as through our strategic partners.
- Growing our export markets, deepening our penetration within the US market and further capitalising on BIGGA's stellar performance in the United Kingdom to drive revenue.

In summary, the outlook for our business is extremely attractive. We have demonstrated our ability to successfully navigate the challenging environment and we are poised to capitalise on all emerging opportunities. Guided by our Directors and Executive Team, and with the support of our dedicated and talented Team, Wisynco will continue to focus on long-term value creation for all our stakeholders and play our part in contributing to Jamaica's growth.



Five-Year Financial Analysis

Year ended 30 June	FY2017 $'000	FY2018 $'000	FY2019 $'000	FY2020 $'000	FY2021 $'000
Revenue	**21,381,665**	**24,544,049**	**26,939,227**	**32,170,426**	**31,816,430**
Cost of Sales	(13,973,617)	(15,421,144)	(16,867,965)	(21,103,363)	(20,700,100)
Gross Profit	**7,408,048**	**9,122,905**	**10,071,262**	**11,067,063**	**11,116,330**
Other Operating Income	743,538	92,157	288,656	336,999	240,581
Selling and Distribution Expense	(4,708,190)	(5,412,601)	(6,124,857)	(6,784,843)	(6,149,378)
Administration Expenses	(891,676)	(956,683)	(1,097,978)	(1,370,277)	(1,416,660)
Operating Profit	**2,551,720**	**2,845,778**	**3,137,083**	**3,248,942**	**3,790,873**
Finance Income	159,965	130,837	119,218	138,451	195,534
Finance Costs	(169,746)	(211,411)	(230,205)	(168,145)	(153,730)
Profit before Taxation	**2,541,939**	**2,765,204**	**3,033,888**	**3,220,232**	**3,802,955**
Taxation	(286,312)	(513,834)	(491,723)	(557,565)	(730,655)
Share of results from Associates	-	-	7,792	984	(29,722)
Profit from Discontinued Operations	190,845	41,555	387,157	139,736	-
Net Profit	**2,446,472**	**2,292,925**	**2,929,322**	**2,802,403**	**3,072,300**
Other Comprehensive Income					
Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of foreign subsidiary	(21)	26,853	(1,038)	9,765	6,093
Share of other comprehensive income of associate	-	-	-	9,322	5,636
Unrealized (loss)/gain on investment securities	(4,344)	3,728	10,886	17,302	11,362
Total Comprehensive Income	**2,442,107**	**2,323,506**	**2,939,170**	**2,838,792**	**3,095,391**
Earnings per Share from continuing operations (cents)	**0.63**	**0.61**	**0.68**	**0.71**	**0.82**
From discontinued operations	0.05	0.01	0.10	0.04	-

Marketing

Wisynco continues to develop and market an extensive and diverse portfolio of 142 brands and over 2,400 SKU's from leading food and beverage manufacturers locally and across the world, including the Coca-Cola System.

We continue to expand our portfolio in new and existing categories, and continue to be the market leader in the water, flavoured water, energy drinks, flavoured drinks, and juice categories, with the WATA, CranWATA, Boom, BIGGA, and Tru-Juice brands, respectively. Our company's success is highlighted by double-digit growth in Jamaica's #1 Energy Drink, Boom, #1 flavored carbonated beverage, BIGGA, sizeable growth for growth for Coca-Cola, and entry into the dairy category with Tru Moo, TruShake, and TruAlmond.

Our investment in Worthy Park Estates continues to be an integral part of our growing portfolio and had promising results. Our exclusive brands, Worthy Park and Jamaica Gold, dominate the sugar category, resulting in an increase in sales over last year and the strengthening our strategic position in this market. In the alcohol category, the December 2020 introduction of the premium Select Brand and positive outcomes for the Rum Bar brand resulted in a 27% increase in sales and increased trade and core consumer engagement.

Despite challenges with shipping and supply logistics due to the pandemic, we increased our sales in categories such as baking, ice cream, and snacks through forward planning. Our ongoing partnership with multinational companies such as General Mills, Nestle, Kellogg's, Red Bull, Royal Unibrew, and Unilever add to the depth of

BOOM celebrates 10th Anniversary and launches new flavour

To commemorate BOOM's 10th Anniversary, we launched the BOOM Gold Rush campaign, introducing 355mL gold bottles and a new label.

BOOM Energy Drink launched its first new flavour with a passion fruit flavour called Shockwave. The high-energy campaign featured dancehall sensation Shenseea.

our portfolio and our strength in distribution and continues to make our relationship with our customers a "Win-Win" situation.

Though we experienced many lockdowns and restrictions, 31 brands were able to participate in a total of 40 sponsorships and provide samples to over 6,300 consumers. We strategically increased focus on customer service and strengthening relationships with our local retailers to improve visibility at the point of sale. Brands made significant investments in managing over 396 custom in-store displays, retail outlets' branding, and aisle signage. In addition, we provided materials, tools, equipment, and sales support to add value and deliver on the promise of our brands.

Through our locally owned and manufactured beverages, Wisynco continues to stay relevant by executing eight (8) media campaigns, two (2) major charitable campaigns, and maintaining twenty-two (22) social media pages to create awareness and engage with consumers. To keep our portfolio fresh, marketing activities included a new look for beverage brands; with six (6) seasonal label changes, two (2) product launches, and the reformulation of one (1) product to a lower sugar recipe. In addition, our brands added value to consumers by giving away 88,500 bottles of beverages and over 21,000 premiums at the point of purchase via 1,177 promotions in 1,033 retail outlets and street-sampling activities across Jamaica. Sponsorships and donations provided over 178,000 bottles of beverages to support the efforts of 152 organizations.

MAJOR ACTIVITIES AND CAMPAIGNS INCLUDED:

WATA Essential Workers Campaign

It was essential to recognize and thank our front-line workers during COVID, and we did so by honouring our doctors, nurses, transport authority, police, and food and beverage workers who continued to keep the country going when faced with the global pandemic.

WATA Jamaican Independence

To commemorate Jamaican Independence and Emancipation, WATA got a new look with a series of four vibrant labels to celebrate. This feel-good campaign highlighted Jamaican food, culture, sports, & landmarks.

Coca-Cola Open for Better and Share campaign

With a label depicting the iconic mystical character Santa Claus, Coke brought the joy of sharing your favorite moments at home during the Christmas season. In addition, it reminded us of the importance of hope, faith, and, most importantly, bringing family together during the holiday season.

My WOW Moment

CranWATA, My WOW Moment Campaign highlights memorable moments to inspire nostalgia for the WOW moments we acknowledge despite the onset of COVID-19. This eight-part video series highlighted moments for all audiences. It featured a grandmother on a video call, vendors selling their goods, a dancer enjoying a party, a beach day with friends, a trendy digital party scene in the safety of their home, a son getting his acceptance letter for school, and children playing together at school. The campaign also highlighted scenic Jamaican locations.

CranWATA & School Challenge Quiz:

The brand continues to be the highest tier sponsor for TVJ's #1 educational program to bring home the fun for our youth and families across Jamaica.

What's new with Sprite

Sprite Cranberry, a new product launched in the holidays, gave our favorite lemon-lime soda an added twist of flavour with the loved cranberry flavour in the mix.

Sprite introduced a new recipe with 50% Less Sugar. It's essential to keep evolving and providing healthier options for consumers. Sprite, a caffeine-free product, continues to add more benefits to the delicious, fresh-tasting lemon-lime beverage for the health-conscious consumer.

Information Technology

Wisynco's technology roadmap continues to support the business in an ever changing environment. Prudent technology investments, supporting remote work in a secured virtual space continues to be a major area of focus as we embrace new, dynamic and flexible ways of working. Use of Information and Communications Technology (ICT) supports our business goals and builds the foundation for future proofing additional technology acquisitions. We ensure that there is oversight from Risk and Compliance and that our systems are implemented in keeping with adequate consideration for risk, IT resource management, cyber-security and access control while adhering to proper change management practices. Data privacy is of utmost importance to us as we protect personal data of our customers and employees in the world of electronic commerce.

Much of our IT applications have benefitted from improved system uptime afforded by upgrades to our systems and network infrastructure. The primary focus this year has been systems that support effective and efficient delivery to our customers, aiming at minimizing disruption to our supply chain given the restrictions and safety precautions necessary to battle the pandemic. The landscape has fast tracked plans to engage with our customers, partners and staff in the digital arena that allows effective operations while ensuring business continuity. These projects have improved customer service, utilizing multi-channel communications, enriching the overall customer experience using electronic methods for order taking and in accurate and timely delivery of goods. The customer experience has also been supported internally with continuous improvement to our general warehouse operations.

Even as we have prepared our systems to take on the current demands, IT has been repositioning itself to capitalize on the benefits of a future-proofed information technology platform. The foundations are being laid to transition to cloud enabled computing which will embrace artificial intelligence where relevant and applicable to our business. Investments have been made to make our platforms more agile and capable of responding to changes in the marketplace and customer needs quickly. The core of our operations, our Enterprise Resource Planning system continues to evolve as we expand existing systems while designing a digital future. As challenging as it has been, Wisynco has embraced technology and innovation to maintain business priorities while improving collaboration electronically with our vendors, staff and customers.

Investments have been made to make our platforms more agile and capable of responding to changes in the marketplace and customer needs quickly.

The Manufacturing Division remained robust and continued to make steady gains in multiple areas, despite the cloud of the COVID-19 pandemic.

MD+A

Manufacturing

The Manufacturing Division remained robust and continued to make steady gains in multiple areas, despite the cloud of the COVID-19 pandemic. It became necessary for us to innovate to be a step ahead of the crisis. We are committed to always improving our efficiencies, remaining relevant and productive in a fast-paced and ever-changing environment.

Major investments have been made in the following areas:

1) The Water Line Plant will see us producing a different SKU this year, thereby increasing our product portfolio to satisfy our customers and maintain market relevance.
2) Installation of a state-of-the-art Sugar Dissolving System will increase our simple syrup production efficiencies by approximately 50% and reinforce our Food Safety Agenda, as it reduces the number of touchpoints in the process.
3) The Wastewater Treatment Plant saw its capacity increase with the addition of a 1000 m3 Equalizer tank. This allows us to adequately maintain and exceed certain parameters set by both local and third-party regulations.
4) A Nano-filtration Plant was undertaken to reduce our water usage ratio and increase our capacity to supply demand. We have also invested in reinforcing the lines used to transport water ensuring that every drop of water is utilized.
5) The LNG Plant combined with our solar plant saw our total electricity costs reduce by around 30%.
6) Greater use of advanced statistical process control software has improved data gathering and visibility of quality parameters in real-time. This has reduced the time taken to retrieve and analyse incidents to aid in problem-solving. Given that the system is paperless we save an average of four (4) trees each year and are expanding the use of the software in other departments.
7) We invested significantly in a Fire Suppression System to comprehensively protect lives and property. This system is supported by a large storage capacity tank and pump with the ability to supply this large volume.

Despite the effects of the pandemic, we explored all options to retain our global certifications. We successfully retained our Quality Management Systems Certification (ISO 9001), Occupational Health and Safety Management Certification (ISO 45001) and Environment Management System Certifications (ISO 14001). We completed Stage 1 of the Food Safety System Certification process remotely. Completion of Stage 2 has been delayed until an in-person audit can be conducted.

We recognized and celebrated over 100 long-serving employees in Manufacturing who have supported us unwaveringly throughout the years. It is because of this support that we can maintain noteworthy achievements in an unquestionably difficult year. We will continue to blaze the trail and lift our team members through continued efforts as we grow, adapt, change and innovate.

Sales

COMMERCIAL HIGHLIGHTS

Despite the effects of the pandemic, our Sales and Merchandising teams 'exceeded the vision' and in the process, great strides were made in 'securing the future.' The sales and execution results for the FY20-21 period are a testimony to the commitment, dedication and passion the teams have consistently portrayed, despite the harsh realities they face each day.

While our sales revenues were slightly below FY19-20, what was truly remarkable is the unbelievable sacrifices our teams made in ensuring that we finished the year triumphantly. Their continued pursuit of 'total customer satisfaction' coupled with the full embracing of our "No brand or shelf left behind" mantra, truly epitomizes the spirit of the members of our Sales and

Special Sales Team Tribute

It is often said that for some moments in life there are no words. When complications resulting from COVID-19 claimed the life of our Regional Sales Manager, Mrs. Charmaine Abrahams, there were no words. Losing a loved one is undoubtedly the hardest thing most of us will ever go through. Our Charmaine was not just a Wisynco leader; she was a pioneer, a true friend. She was aptly called 'Mrs. Wisynco'; she was a loved one. Her peers have described her as a friend, mentor, and a beautiful soul who was dedicated to her work, colleagues and her God.

She was a true standard-bearer and wise counselor, a fine human being, who treasured and highly respected all. She is not here with us today, but her legacy lives on.

Merchandising team. They are true WISYNCONIANS, and we could not be prouder of them.

SALES TRANSFORMATION AND STRATEGIC PLANS

Our realignment and re-engineering strategy for our route to market is an ongoing process, which continues to yield remarkable results. Through this Full Service Model (FSM) approach, we have accomplished the following goals:

1. Increase consumer reach points.
2. Improve product focus.
3. Increase sales effectiveness and efficiencies.
4. Enhance our Look of Success (LOS) activations.
5. Increase customer satisfaction.

FY 2021

Some experts are saying that the battle with COVID-19 is far from over, others have even gone further in saying that this battle has just begun. In light of this, we will continue to place the highest priority on the health and safety of our team. One of our primary areas of focus will be to encourage our team members to get fully vaccinated.

While the pandemic upended our lives, the lessons learnt have been numerous, lessons we will be employing during this financial year.

For this financial year, we will:

a) Look back at FY19-20; tweak some best practices and key learning points to ensure that we accomplish our sales objectives.

b) Plan strategically to protect and grow our market share.

c) Expand our product and portfolio offerings.

d) Ensure perfect Point of Sale (POS) execution.

e) Enhance customer and consumer experience.

f) Manage waste.

Paramount to optimizing our sales force performance we will:

I. Continue to invest heavily in safety protocols.

II. Focus our training and development.

III. Give due attention to our teams emotional, mental and physiological well-being as we continue to grapple with this pandemic.

Operations

The fiscal year 2021 has been constructive for the logistics and distribution operations of Wisynco Group Limited (WGL), despite the challenges presented by the COVID-19 pandemic. Our operations' procedures and processes have been stress tested and yielded results. These year-end results are a testament to the resilience of our warehouse operations. While supply chain challenges are still present, there is no doubt that the future is bright.

The lockdowns days and fluctuating curfew hours required the operation to be dynamic with schedule changes across our 500+ team members and 350+ independent haulage contractors. Using various virtual platforms, we were able to communicate and effect change across executive committees to team members and valued customers within 24 hours. The use of technology has expanded our ability to be more efficient with our virtual meetings.

Concurrently, the fiscal year has been uncertain and somewhat volatile with demand for product. Warehouse Operations has had to be lean with allocated resources and expenses management, while maintaining a level of service and customer satisfaction. These swings in demand have encouraged team members to be flexible with roles and responsibilities and allowed cross-functional teams.

All challenges have been met while still retaining certifications from local and international bodies while surpassing food safety and sanitation handling requirements

Amidst all challenges and uncertainty, we continue to invest in our facilities and support infrastructure by:

1. Initiating the procurement of a satellite warehouse for the northwestern territories for improved service and efficiencies;
2. Building a new 6000 ft^2 garage to facilitate the expansion of our fleet of service vehicles;
3. Implementing an upgrade to the existing Warehouse Management System for improved inventory management; and
4. Developing Apps for outbound dock scheduling for independent haulage contractors, which will be implemented in Q3.

We applaud the contribution and sacrifice of our team during the pandemic and look forward to a prosperous new financial year.

Human Resources

Powered By Our People

The year has seen more focus on action as our Teams were empowered to demonstrate resilience, flexibility, and problem solving to meet the demands of our customers and consumers. We are proud of our Team's fighting spirit as we came together to unwaveringly support each other during the pandemic.

KEY PEOPLE PRIORITIES

The Talent Agenda

Excellence permeates all levels of our organization, an attribute we proudly invest in sustaining. Our investment is reflected in our leadership development and the inaugural Wisynco LEAD Programme that commenced in January 2019 concluded in July 2021 with 9 successful graduates. This group of second tier leaders will strengthen our succession efforts.

The Future Leaders' Programme aimed at securing the next generation of leaders placed 2 persons within our Manufacturing and Internal Audit departments.

In support of the organization's business execution plans, we implemented 55 competency-based learning activities with 1,258 team members throughout the year. Additionally, 216 full-time positions were filled, 47 of which were offered through promotions and transfers within the Company. To further support our team members and their personal development journeys we continue to provide our Tuition Assistance Programme.

Performance management migrated to our HR management information system (HRPlus), facilitating more efficient feedback between leaders and their direct reports.

GENERAL HR FOCUS

Extreme emphasis has been placed on protecting the health and well-being of our Wisynco Teams during the pandemic. As our Teams stepped up to maximize availability of our products to customers and consumers,

the leadership continued providing support through our actions and decisions during these difficult times.

Driven by the COVID-19 Response Team, with guidance from medical and other professionals, we focused our attention on robust safety measures for all team members and contractors working at our locations and in the trade and encouraged hybrid remote working wherever possible. Our Teams work confidently knowing that we stand behind them with procedures that are constantly evaluated and updated. Through paid leave, pay continuity for persons unable to work due to COVID-19 related illness, flexible solutions for work, and constant communication with our Teams, they are able to make appropriate choices such as staying home if they feel unwell.

LOOKING AHEAD

As we look beyond 2021, HR will continue to add value by focusing on key areas to support business growth.

1. Implementing innovative programmes to build talent and improve employee engagement
2. Up-skilling and re-skilling our Teams to enhance their capabilities and competencies, with a focus on increasing digital capacity
3. Fully rolling out Career and Succession Management to establish a workplace where all Team Members can grow and thrive
4. Executing Action Plans from our Employee Engagement Survey
5. Strengthening pandemic safety protocols and welfare initiatives

Our focus on supporting our Teams will continue to guide everything we do, so Team Members can in turn meet our customers' and consumers' needs in this health crisis. We are encouraged by the dedication and selflessness of our Wisynco Teams and you remain our top priority as HR serves, supports and champions your efforts.

Risk Management and Internal Control

As a company, we recognize that effective risk management is not about eliminating risk-taking, which is an integral part of any business activity. Rather, we balance our objectives against the risks we are prepared to take, and we strive to conduct our business in a socially responsible and sustainable way.

We employ a robust risk management framework that is driven by our company mission, vision and values, to enhance performance and shareholder value. This framework consists of several components including objective-setting, identifying and assessing risk and responses to those risks, monitoring risks and communicating / reporting on the effectiveness of responses.

The sub-committee to the Board, the Audit & Risk Committee, oversees the risk management process, approving the risk assessment and evaluating the key risks on an annual basis, or more frequently, as needed. This framework allows the Committee to 1) make informed decisions about the acceptable level of risk, 2) implement the necessary safeguards and controls to mitigate risk, and 3) align our strategic objectives with company policies and practices, thereby increasing company performance and shareholder value.

Figure 1. Risk Management Components

World WATA Day

'Valuing Water,' the theme for World Water Day 2021, was the underlying message to young Jamaicans on March 22nd. WATA imparted the message to wards of the state during three donations amassing 180 cases of 330ml and 60 cases of 5L WATA® to Jamaica National Children's Home, Maxfield Park Children's Home, and Wortley Home for Girls.

CORPORATE SOCIAL RESPONSIBILITY

As a company, our driving mission has always been finding ways to improve the lives of our people. This year was no different, and our goals to support our people's health and wellness, access to quality education, and environmental sustainability were actualized with a renewed focus on the fight against COVID-19. We invested in awareness campaigns, provided COVID-19 safety supplies to food and beverage retailers, partnered with the medical sector through innovation, providing access to global partner foundations for a grant, and donated coolers, tents, tables, and our locally manufactured products to support Jamaicans in this fight. In addition, through the support of 120 organizations, we provided aid to persons in need, including locked down communities, retirement homes, youth homes, beneficiaries of charitable organizations and universities, amongst others. Beyond this, we donated over 140,000 bottles of our beverages to support COVID relief and vaccination centers to hydrate our frontline workers and other persons getting vaccinated.

HEALTH AND WELLNESS

WATA Workout Series

In light of COVID, WATA encouraged and motivated persons to stay active by engaging over 115,000 Jamaicans on social media. Guided by our brand ambassadors and certified fitness instructors, Patrice J. White and Andre Brown, WATA hosted a series of free online workouts. The initiative was further supported by a series of fun and engaging educational health and hydration tips from Dr. Phillip Coombs. On the ground, we forged a partnership to become the official hydration partner for Express Fitness island-wide.

CSR

Tan Ah Yuh Yard

Through its USD 36,000 sponsorship of Food For The Poor's (FFP) 'Tan Ah Yuh Yard' initiative, BOOM Energy Drink encouraged Jamaicans, young and old, to comply with COVID-19 safety measures. In addition, the beverage brand spread the precautionary message across the island by aiding the construction of 10 houses across six parishes: St. Catherine, Trelawny, Clarendon, St. Ann, St. Mary, and St. Elizabeth. The partnership was supported by Wisynco staff, youth church organizations, community stakeholders, social influencers, and entertainers, including Shenseea, Warrior King, Tanya Stephens, Ibha Mar, Cecile, Marcy Chin, Dyani, Kurt Riley, and Joe Bogdonovich, all amongst the one hundred (100) volunteers who made the program a success.

WATA Wishes

In December 2020, our Instagram and Facebook followers were asked to comment on specific posts to explain why they wanted their Wish granted and how it would impact their lives. As a result, the 'WATA® Wish' initiative granted the wishes of more than 30 Jamaicans in need providing laptops, tablets, groceries, supermarket vouchers, and mobile credit, up from the two wishes we had granted in the previous year.

Spacers for KPH

This campaign highlighted the art of collaboration and innovation as we partnered with Dr. Natalie Whylie to create Spacers. We engineered modified PET bottles which are typically used for the WATA brand, which allowed for the continued treatment of asthmatic and other patients with respiratory conditions at the hospital. In addition, the Spacers eliminated the need for nebulization of patients and reduced the potential exposure of the health care worker to aerosolized respiratory secretions. To date, 2,500 units have been donated to KPH.

Wata for St. Vincent

Senior Clerk of St. Vincent and the Grenadines' National Emergency Management Organization (NEMO), Muwsa Muhammad (left), receives a donation of of 3,554 cases (113,728 500ml bottles) of WATA from Wisynco Group Limited's distribution partner Food Center St Vincent Limited General Manager, Gaileen Mofford. Wisynco made the donation in St. Vincent recently, as access to water has depleted as systems have been contaminated due to the recent eruption of the La Soufrière volcano.

ENVIRONMENT

As one of the largest sponsors of and contributors to Recycling Partners of Jamaica (RPJ), a registered charitable organization, we continue to use our platform to promote its recycling outlets across the island and educate persons on sustainable practices.

One of their most recent initiatives is the implementation of a voluntary Deposit Refund System (DRS). This, in conjunction with the commendable actions of the Government of Jamaica as it pertains to environmental protection and waste reduction, has poised the country to lead the region in waste management.

RPJ will fund the build out of collection points and support operational costs where needed, and a series of authorized independent collection partners will recover plastic bottles from consumers, and on-sell or further process these bottles.

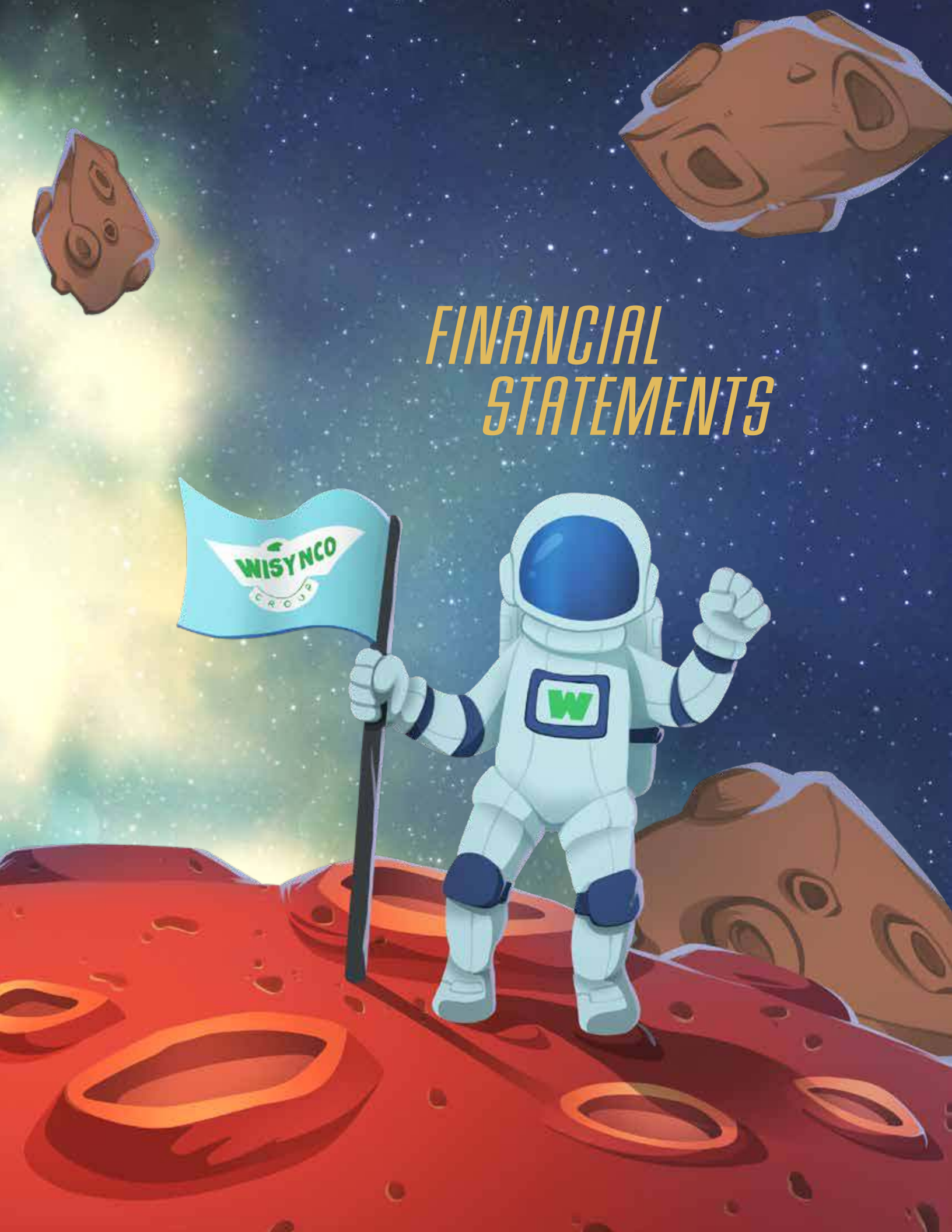
Coalition partners have committed to fund a separate waste management stream for plastic bottles and the funding from it will flow to RPJ, hence it will act as a self-regulator and administrator of the DRS. RPJ will orchestrate payments to consumers via third parties and reimbursements to collection partners and non cash platform, Lasco Card, is currently being utilized to disseminate the refund. Customers are being asked to register for these cards accordingly.

The model allows for multiple actors, and precludes a monopoly and its governance will ensure collaboration, transparency, accountability, and goal achievement, with fully auditable processes. With our support, the organisation will fund the marketing, public awareness and education, and invest in infrastructure where necessary.

We continue on our mission through various platforms of influence and by setting an example to other entities and the greater population, and welcome the support of organizations who have made their own efforts to uplift Jamaica.

CSR

FINANCIAL STATEMENTS



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Independent auditor's report

To the Members of Wisynco Group Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Wisynco Group Limited (the Company) and its subsidiary (together 'the Group') and the stand-alone financial position of the Company as at 30 June 2021, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the Jamaican Companies Act.

What we have audited

The Group's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 30 June 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the company statement of financial position as at 30 June 2021;
- the company statement of comprehensive income for the year then ended;
- the company statement of changes in equity for the year then ended;
- the company statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 consolidated and stand-alone financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Impairment assessment for the Group's shareholding in associated company *Refer to notes 2(b)(ii), 4(b) and 18 to the consolidated and stand-alone financial statements for disclosures of related accounting policies and balances.*	
During the financial year, JP Snacks Caribbean Limited, an associated company of the Group, incurred losses due mainly to the effects of the COVID-19 pandemic. This was considered to be an indicator of impairment and resulted in management performing a formal impairment assessment.	We engaged independent qualified valuation experts to assist us in evaluating the work of management's experts. With the aid of our valuation experts, we performed the following procedures: • Evaluated the competence and objectivity of management's experts. • Evaluated the appropriateness of the valuation methodology utilised to determine the recoverable amount in accordance with IAS 36.

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Key audit matter	How our audit addressed the key audit matter

At 30 June 2021, the investment in JP Snacks Caribbean Limited was carried at $580 million or 2.59% of total assets for the Group and $586 million or 2.64% of total assets for the Company.
 	
Management engaged an expert to perform a value-in-use (VIU) calculation to determine a value for the recoverable amount for its investments in the associate, as required by IAS 36, "Impairment of non-financial assets". Based on the assessment, management determined there was no impairment.
 	
We focused on this area due to its subjectivity and the sensitivity to changes in inputs and assumptions, as the performance of VIU calculations involves the use of a number of estimates including gross profit margins, pre-tax discount rates and terminal value growth rates.
 	
The judgement involved in determining the impact of COVID-19 on the key assumptions also caused us to focus on this area.
	• Agreed the base year financial information used to generate forecast cash flows to current year results and compared the current year and previous forecasts to actual results to assess the performance of the business and the accuracy of management's forecasting.
	• Obtained an understanding of management's budgeting process and reconciled key cash flow forecast inputs such as revenue and gross margins to approved budgets.
	• Tested management's assumptions, including the impact of COVID-19 on those assumptions as follows:
	  o Pre-tax discount rate - evaluated management's inputs against independent third party economic and industry data and, where applicable, company specific data;
	  o Terminal value growth rate - evaluated management's terminal value growth by assessing the feasibility of management's plans to increase revenue over the forecast period and assessing the terminal value growth rate against long-term GDP growth rate forecasts for the Dominican Republic; and
	  o Gross profit margins - evaluated management's expected gross profit margin over the period by reference to historical gross profit margins and by evaluating the potential impact of management's cost saving mechanisms.
	• Tested the mathematical accuracy of management's model and considered the sensitivity of the recoverable amount by factoring a discount for lack of marketability.
	
	Based on the procedures performed, management's assumptions and judgments in relation to the recoverable amount of the investment in associate, in our view, were not unreasonable and no adjustment for impairment was required.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

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In connection with our audit of the consolidated and stand-alone 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 consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

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

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

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone 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 consolidated and stand-alone financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone 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.

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- 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 Group and 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 Group or 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 consolidated and stand-alone 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 Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone 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 matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

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

PricewaterhouseCoopers

Chartered Accountants
Kingston, Jamaica
27 August 2021

WISYNCO GROUP LIMITED

Consolidated Statement of Comprehensive Income

Year ended 30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Continuing operations			
Revenue	5	31,816,430	32,170,426
Cost of sales		(20,700,100)	(21,103,363)
Gross Profit		11,116,330	11,067,063
Other operating income	6	240,581	336,999
Selling and distribution expenses		(6,149,378)	(6,784,843)
Administration expenses		(1,416,660)	(1,370,277)
Operating Profit		3,790,873	3,248,942
Finance income	9	195,534	138,451
Finance costs	10	(153,730)	(168,145)
Share of results of associate	18	(29,722)	984
Profit before Taxation		3,802,955	3,220,232
Taxation	11	(730,655)	(557,565)
Profit for the year from continuing operations		3,072,300	2,662,667
Profit from discontinued operations	12	-	139,736
Net Profit		3,072,300	2,802,403
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign subsidiary		6,093	9,765
Share of other comprehensive income of associate	18	5,636	9,322
Items that will not be reclassified to profit or loss			
Unrealised gains on investment securities	20	11,362	17,302
Total Comprehensive Income		3,095,391	2,838,792
Earnings Per Stock Unit from continuing and discontinued operations attributable to stockholders of the Group	13		
Basic and Fully Diluted			
From continuing operations		$0.82	$0.71
From discontinued operations		-	$0.04
		$0.82	$0.75

WISYNCO GROUP LIMITED

Consolidated Statement of Financial Position

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Non-Current Assets			
Property, plant and equipment	15	6,630,904	7,088,491
Intangible assets	16	18,247	32,162
Investment in associate	18	580,181	604,267
Loans receivable	19	205,685	175,932
Investment securities	20	640,840	131,253
		8,075,857	8,032,105
Current Assets			
Inventories	21	3,591,118	3,316,760
Receivables and prepayments	22	2,635,049	2,528,374
Investment securities	20	402,827	447,267
Cash and short-term deposits	23	7,661,003	4,950,743
		14,289,997	11,243,144
Current Liabilities			
Trade and other payables	24	4,590,330	3,339,033
Short-term borrowings	25	765,451	702,393
Lease liabilities	26	80,292	73,966
Taxation payable		464,199	437,338
		5,900,272	4,552,730
Net Current Assets		8,389,725	6,690,414
		16,465,582	14,722,519

WISYNCO GROUP LIMITED

Consolidated Statement of Financial Position (Continued)

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Equity			
Capital and reserves attributable to the company's equity holders			
Share capital	27	1,192,647	1,192,647
Other reserves	28	369,039	248,534
Translation reserve	29	59,864	48,135
Retained earnings	30	13,432,757	11,485,457
		15,054,307	12,974,773
Non-Current Liabilities			
Deferred tax liabilities	31	99,966	155,647
Borrowings	25	1,311,309	1,546,947
Lease liabilities	26	-	45,152
		1,411,275	1,747,746
		16,465,582	14,722,519

Approved by the Board of Directors on 27 August 2021 and signed on its behalf by:

William Mahfood Director

Andrew Mahfood Director

WISYNCO GROUP LIMITED

Consolidated Statement of Changes in Equity

Year ended 30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Number of shares '000	Share Capital $'000	Other Reserves $'000	Retained Earnings $'000	Translation Reserve $'000	Total Equity $'000
Balance at 1 July 2019	3,750,000	1,192,647	130,832	9,733,054	29,048	11,085,581
Net profit	-	-	-	2,802,403	-	2,802,403
Changes in fair value of equity instruments measured at fair value through other comprehensive income (Note 20)	-	-	17,302	-	-	17,302
Share-based payment expenses, net of taxes	-	-	100,400	-	-	100,400
Share of other comprehensive income of associate (Note 18)	-	-	-	-	9,322	9,322
Exchange differences on translating foreign subsidiary	-	-	-	-	9,765	9,765
Total comprehensive income	-	-	117,702	2,802,403	19,087	2,939,192
Transactions with owners -						
Dividends (Note 34)	-	-	-	(1,050,000)	-	(1,050,000)
	-	-	-	(1,050,000)	-	(1,050,000)
Balance at 30 June 2020	3,750,000	1,192,647	248,534	11,485,457	48,135	12,974,773
Net profit	-	-	-	3,072,300	-	3,072,300
Changes in fair value of equity instruments measured at fair value through other comprehensive income (Note 20)	-	-	11,362	-	-	11,362
Share-based payment expenses, net of taxes	-	-	109,143	-	-	109,143
Share of other comprehensive income of associate (Note 18)	-	-	-	-	5,636	5,636
Exchange differences on translating foreign subsidiary	-	-	-	-	6,093	6,093
Total comprehensive income	-	-	120,505	3,072,300	11,729	3,204,534
Transactions with owners -						
Dividends (Note 34)	-	-	-	(1,125,000)	-	(1,125,000)
	-	-	-	(1,125,000)	-	(1,125,000)
Balance at 30 June 2021	3,750,000	1,192,647	369,039	13,432,757	59,864	15,054,307

WISYNCO GROUP LIMITED

Consolidated Statement of Cash Flows

Year ended 30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Operating Activities			
Cash provided by operating activities	32	4,663,560	3,673,191
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	15	(591,771)	(1,472,538)
Purchase of intangible assets	16	(3,849)	(21,275)
Purchase of investments	20	(768,075)	(150,442)
Net withdrawals/(placements) of deposits over 3 months		909,751	(678,848)
Proceeds from the sale of property, plant and equipment		1,039	4,300
Proceeds from the sale of investment securities		325,157	130,385
Dividend received		859	1,510
Promissory note		(19,131)	-
Interest received		190,064	126,554
Cash provided by/(used in) investing activities		44,044	(2,060,354)
Cash Flows from Financing Activities			
Interest paid		(147,191)	(178,525)
Long-term loans repaid	32	(661,950)	(525,000)
Lease liabilities repaid		(104,424)	(75,456)
Loan commitment fees paid	32	(2,875)	-
Long-term loans received	32	500,000	-
Finance lease repaid	32	-	(913)
Dividend paid		(712,500)	(712,500)
Cash used in financing activities		(1,128,940)	(1,492,394)
Increase in cash and cash equivalents		3,578,664	120,443
Cash and cash equivalents at beginning of year		3,637,130	3,415,897
Effects of changes in foreign exchange rates on cash and cash equivalents		49,773	100,790
Cash and Cash Equivalents at End of Year	23	7,265,567	3,637,130

WISYNCO GROUP LIMITED

Company Statement of Comprehensive Income

Year ended 30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Continuing operations			
Revenue	5	31,804,754	32,159,881
Cost of sales		(20,675,931)	(21,059,942)
Gross Profit		11,128,823	11,099,939
Other operating income	6	230,469	334,472
Selling and distribution expenses		(6,216,406)	(6,856,195)
Administration expenses		(1,417,764)	(1,379,305)
Operating Profit		3,725,122	3,198,911
Finance income	9	195,534	138,451
Finance costs	10	(154,334)	(168,145)
Profit before Taxation		3,766,322	3,169,217
Taxation	11	(729,996)	(557,066)
Profit for the year from continuing operations		3,036,326	2,612,151
Profit from discontinued operations	12	-	139,736
Net Profit		3,036,326	2,751,887
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Unrealised gains on investment securities	20	11,362	17,302
Total Comprehensive Income		3,047,688	2,769,189

WISYNCO GROUP LIMITED

Company Statement of Financial Position

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Non-Current Assets			
Property, plant and equipment	15	6,630,904	7,088,491
Intangible assets	16	18,247	32,162
Investment in subsidiary	17	11,375	11,375
Investment in associate	18	586,169	586,169
Loans receivable	19	205,685	175,932
Investment securities	20	640,840	131,253
		8,093,220	8,025,382
Current Assets			
Inventories	21	3,591,118	3,316,760
Receivables and prepayments	22	2,604,413	2,526,649
Investment securities	20	402,827	447,267
Cash and short-term deposits	23	7,478,877	4,824,206
		14,077,235	11,114,882
Current Liabilities			
Trade and other payables	24	4,568,547	3,330,291
Short-term borrowings	25	765,451	702,393
Lease liabilities	26	80,292	73,966
Taxation payable		463,836	436,645
		5,878,126	4,543,295
Net Current Assets		8,199,109	6,571,587
		16,292,329	14,596,969
Shareholders' Equity			
Share capital	27	1,192,647	1,192,647
Other reserves	28	369,039	248,534
Retained earnings		13,319,368	11,408,042
		14,881,054	12,849,223
Non-Current Liabilities			
Deferred tax liabilities	31	99,966	155,647
Borrowings	25	1,311,309	1,546,947
Lease liabilities	26	-	45,152
		1,411,275	1,747,746
		16,292,329	14,596,969

Approved for issue by the Board of Directors on 27 August 2021 and signed on its behalf by:

William Mahfood Director

Andrew Mahfood Director

WISYNCO GROUP LIMITED

Company Statement of Changes in Equity

Year ended 30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	Number of shares '000	Share Capital $'000	Other Reserves $'000	Retained Earnings $'000	Total $'000
Balance at 1 July 2019		3,750,000	1,192,647	130,832	9,706,155	11,029,634
Net profit		-	-	-	2,751,887	2,751,887
Changes in fair value of equity instruments measured at fair value through other comprehensive income	20	-	-	17,302	-	17,302
Share-based payment expenses, net of taxes		-	-	100,400	-	100,400
Total comprehensive income		-	-	117,702	2,751,887	2,869,589
Transactions with owners -						
Dividends	34	-	-	-	(1,050,000)	(1,050,000)
		-	-	-	(1,050,000)	(1,050,000)
Balance at 30 June 2020		3,750,000	1,192,647	248,534	11,408,042	12,849,223
Net profit		-	-	-	3,036,326	3,036,326
Changes in fair value of equity instruments measured at fair value through other comprehensive income	20	-	-	11,362	-	11,362
Share-based payment expenses, net of taxes		-	-	109,143	-	109,143
Total comprehensive income		-	-	120,505	3,036,326	3,156,831
Transactions with owners -						
Dividends	34	-	-	-	(1,125,000)	(1,125,000)
		-	-	-	(1,125,000)	(1,125,000)
Balance at 30 June 2021		3,750,000	1,192,647	369,039	13,319,368	14,881,054

WISYNCO GROUP LIMITED

Company Statement of Cash Flows

Year ended 30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

	Note	2021 $'000	2020 $'000
Operating Activities			
Cash provided by operating activities	32	4,607,971	3,613,417
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	15	(591,771)	(1,472,538)
Purchase of intangible assets	16	(3,849)	(21,275)
Proceeds from the sale of property, plant and equipment		1,039	4,300
Purchase of investment securities	20	(768,075)	(150,442)
Proceeds from the sale of investment securities		325,157	130,385
Net withdrawals/(placements) of deposits over 3 months		909,751	(678,849)
Dividend received		859	1,510
Promissory note		(19,131)	-
Interest received		190,064	126,554
Cash provided by/(used in) investing activities		44,044	(2,060,355)
Cash Flows from Financing Activities			
Interest paid		(147,191)	(178,525)
Long-term loans repaid	32	(661,950)	(525,000)
Lease liabilities repaid		(104,424)	(75,456)
Long-term loans received	32	500,000	-
Finance leases repaid	32	-	(913)
Commitment fees paid	32	(2,875)	-
Dividend paid		(712,500)	(712,500)
Cash used in financing activities		(1,128,940)	(1,492,394)
Increase in cash and cash equivalents		3,523,075	60,668
Cash and cash equivalents at beginning of year		3,510,593	3,349,135
Effects of changes in foreign exchange rates on cash and cash equivalents		49,773	100,790
Cash and Cash Equivalents at End of Year	23	7,083,441	3,510,593

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

1. Identification and Principal Activities

(a) Wisynco Group Limited (the Company) is a limited liability company, incorporated and domiciled in Jamaica. The parent company is Wisynco Group (Caribbean) Limited, a Barbados International Business Company. The ultimate controlling party of the Company is Evesam Investments Holdings Limited, a company incorporated in the Cayman Islands. The registered office of the Company is located at Lakespen, St Catherine. The Company's ordinary shares are listed on the Jamaica Stock Exchange (JSE).

(b) The Company together with the wholly owned subsidiary, Indies Insurance Company Limited, incorporated and resident in St. Lucia as well as associate JP Snacks Caribbean Limited is referred to as "the Group". On 29 April 2019, the Company acquired a 30% interest in JP Snacks Caribbean Limited which comprise JP Snacks Caribbean Limited (standing alone) incorporated as a non-resident company in the Cayman Islands and its wholly-owned subsidiary Antillean Foods Inc, legally organised under the laws of Cayman Islands.

(c) The principal activities of the Group are the bottling and distribution of water and beverages, the distribution and retailing of food items and the provision of insurance services. The Group's plastic manufacturing and foam packaging operations were discontinued on 31 December 2019 as disclosed in Note 12.

2. Significant Accounting Policies

(a) Basis of preparation

These financial statements 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. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

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

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

Standards, interpretations and amendments to published standards effective in current year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has put into effect the following IFRS, which are immediately relevant to its operations.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards effective in the current year (continued)

Amendments to IFRS 3 – Definition of a business (effective for annual periods beginning or after January 1, 2020). This amendment revises the definition of a business which may impact whether a transaction is accounted for as a business combination or asset acquisition. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations. The adoption of this amendment did not have a significant impact on the Group.

Amendments to IAS 1 and IAS 8 on the definition of material (effective for annual periods beginning or after January 1, 2020). These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', and consequential amendments to other IFRSs: i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immaterial information. The adoption of this amendment did not have a significant impact on the Group.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective
At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which were not yet effective for the Group at the statement of financial position date, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

IFRS 17, 'Insurance contracts' (effective for annual periods beginning on or after 1 January 2023). This standard was issued as a replacement for IFRS 4 'Insurance contracts' and requires a current measurement model where estimates are re-measured each reporting period. The standard allows a choice between recognising changes in discount rates either in the profit or loss or directly in other comprehensive income. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short-duration contracts. The Group is currently assessing the impact of this standard.

Amendments to IFRS 16, 'Leases' – COVID-19 related rent recessions - Extension of the practical expedient, (effective for annual periods beginning on or after 1 April 2021). As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral or lease payments. On 31 March 2021, the IASB published an additional amendment to extend the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event of condition that triggers the reduced payment occurs. The adoption of this amendment is not expected to have a significant impact on the Group.

Amendments to IAS 1, Presentation of financial statements', on the classification of liabilities (effective for annual periods beginning on or after 1 June 2023). These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The Group will apply this amendment to future transactions.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 (effective for annual periods beginning on or after 1 January 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The Group is currently assessing the impact of these amendments.

Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction (effective for annual periods beginning on or after 1 January 2023). These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. The Group is currently assessing the impact of these amendments.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective (continued)

The Group has concluded that all other standards, interpretations and amendments to existing standards, which are published but not yet effective are either relevant to its operations but will have no material impact on adoption; or are not relevant to its operations and will therefore have no material impact on adoption, or contain inconsequential clarifications that will have no material impact when they come into effect.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses the existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, etc.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that are deemed to be an asset or liability are recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest over the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(b) Basis of consolidation (continued)

(i) Subsidiaries (continued)

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, the accounting policies of the subsidiary have been changed to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The Group's subsidiary is as follows:

Entity	Financial Reporting Year-end	Country of Incorporation	Nature of Business	Group's percentage interest	
				2021	2020
Indies Insurance Company Limited	30 June	St. Lucia	Captive insurance	100	100

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(b) Basis of consolidation (continued)

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the investee's profit or loss, other comprehensive income and changes recognised directly in equity after the date of acquisition. The Group's investment in associates includes goodwill and other intangible assets identified on acquisition, net of any amortisation and accumulated impairment losses.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income and reserves are recognised in other comprehensive income and reserves respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount as part of the 'share of results of associated companies' in the statement of comprehensive income.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the statement of comprehensive income.

In the Company's statement of financial position, investment in associates is shown at cost.

The Group's associated company is as follows:

	Financial Reporting Year-end	Country of Incorporation	Nature of Business	Group's percentage interest	
				2021	2020
JP Snacks Caribbean Limited (consolidated)	31 December	Cayman Islands	Manufacturing and distribution	30.0	30.0

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(c) Revenue and income recognition

Group revenue comprises revenue of the group and its subsidiary. Revenue is shown net of General Consumption Tax or applicable sales tax, returns, rebates and discounts and after eliminating sales within the Group.

Revenue comprises amounts charged to customers in respect of the sale of water and beverages, general food items and fast food items.

Sales of goods

Revenue is recognised as performance obligations are satisfied, that is, over time or at a point in time. Where a customer contract contains multiple performance obligations, the transaction price is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services being provided to the customer.

Certain contracts with customers provide a right of return, free goods, volume discounts, rebates and other incentives. Accumulated experience is used to estimate and provide for customer returns and sales incentives using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability, representing amounts payable to customers, is recognised for expected returns and sales incentives. Where customer contracts entitle customers to free goods, revenue is allocated to each performance obligation, including free goods, and recognised as the performance obligations are satisfied.

Interest and dividend income

Interest income is recorded on an accrual basis using the effective interest method. Dividends are recognised when the right to receive payments is established.

Other operating income

Other operating income primarily comprising rebates received and the sale of miscellaneous items is recognised as it accrues unless collectability is in doubt.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(d) Foreign currency translation

Transactions and balances
Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currency are translated using the closing exchange rate. Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealised foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognised in profit or loss.

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Jamaican dollars, which is the Company's functional currency.

(e) Property, plant and equipment

Property, plant and equipment are stated at historical or deemed cost less depreciation.

The carrying values of property, plant and equipment are written off on a straight-line basis over their expected useful lives using the following rates:

Buildings	2½ - 3 ⅓%
Furniture, fixtures and equipment	10 - 50%
Motor vehicles	20%
Leasehold improvements	Shorter of the life of the lease or the useful life of the asset

Land is not depreciated.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in operating profit.

Repairs and maintenance expenses are charged to profit or loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

(f) Intangible assets

Computer software
Computer software is recorded at cost. This cost is amortised over a period of three years.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(g) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

(h) Financial instruments

Classification of financial instruments

The Group classifies financial assets and liabilities as those measured at fair value through other comprehensive income (FVOCI) or measured at amortised cost in accordance with IFRS 9 'Financial Instruments'.

The classification is based on the business model used to manage the financial instruments as well as the terms of the contractual cashflows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. The equity instruments held by the Group are not held for trading. The Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments only when its business model for managing those assets changes.

Measurement of financial instruments

Debt instruments

Measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into the following measurement category:

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest (SPPI), are measured at amortised cost. Interest income from these financial assets is included in profit or loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in arriving at net profit in the statement of comprehensive income.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(h) Financial instruments (continued)

Measurement of financial instruments (continued)

Equity instruments
The Group measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Impairment of financial instruments

The Group determines impairment of financial instruments using the expected credit loss (ECL) model. The Group incorporates forward-looking information and applies both the general model and the simplified approach when calculating ECLs.

Application of the General Model
The Group has applied the 'general model' as required under IFRS 9 for debt instruments other than trade receivables. Under this model, the Group is required to assess on a forward-looking basis the ECL associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The ECL will be recognised in profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. Under current guidance, impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECL is calculated as the product of the Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD that represents the PD occurring over the next 12 months.

Stage 2 – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered, compared to 12 months in Stage 1.

Stage 3 – Financial assets that have an objective evidence of impairment will be included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(h) Financial instruments (continued)

Impairment of financial instruments (continued)

The Group uses judgement when considering the following factors that affect the determination of impairment:

Assessment of Significant Increase in Credit Risk
The assessment of a significant increase in credit risk is done on a relative basis. To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant and at the segment level for retail exposures. This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

Macroeconomic Factors, Forward-Looking Information and Multiple Scenarios
The Group applies an unbiased and probability-weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions.

Macroeconomic factors and forward-looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurement of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group uses three scenarios that are probability-weighted to determine ECL.

Expected Life
When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options.

Application of the Simplified Approach
For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables.

The lifetime ECLs are determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward-looking information.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(i) Inventories

Inventories are stated at the lower of cost and net realisable value.

The cost of raw materials is determined using the weighted average cost method. The cost of work in progress and manufactured finished goods is determined using standard raw material cost, plus budgeted cost of labour and factory overheads, which approximates actual cost. The cost of goods purchased for resale is the suppliers' invoice price applied on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Impairment of trade receivables is determined using the simplified approach based on the requirements of IFRS 9 as outlined in Note 2(h) above.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the profit or loss in selling and distribution expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at cost. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise investment securities with less than 90 days maturity from the date of acquisition including cash balances, short term deposits, securities purchased under agreements to resell and bank overdrafts.

(l) Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are initially recognised at fair value and subsequently stated at amortised cost.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(m) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point.

Potential future increases in variable lease payments based on an index or rate are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(m) Leases (continued)

The lease term is determined as the non-cancellable period of the lease and also takes account of extension and termination options if reasonably certain to be exercised. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of warehouses, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

As lessor

When assets are sold under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned income. Lease income is recognised over the term of the lease so as to reflect a constant periodic rate of return.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(n) Borrowings and borrowings costs

Borrowings are recognised at the proceeds received; net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective yield method.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(o) Income taxes

Taxation expense in the statement of comprehensive income comprises current and deferred tax charges.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted at the year-end.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

2. Significant Accounting Policies (Continued)

(o) Income taxes (continued)

IFRS 16 'Leases' requires that the lessee recognises a right-of-use asset and a lease liability. The lease payments made by the Group are tax-deductible on a cash basis. Consequently, the tax bases of the right-of-use assets and lease liabilities are nil. The result is a taxable temporary difference in relation to the right-of-use asset and a deductible temporary difference in relation to the lease liability.

IAS 12 'Income Taxes' provides that an entity does not recognise a deferred tax asset or a deferred tax liability to the extent that it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit. This is referred to as the initial recognition exception.

IAS 12 'Income Taxes' does not specifically address the tax effects of right-of-use assets and lease liabilities. There are two principal approaches to the deferred tax accounting. The choice of approach is a matter of accounting policy, to be applied on a consistent basis. The Group's accounting policy choice considers the asset and the liability separately. With this approach, the Group applies the initial recognition exemption separately to the right-of-use asset and lease liability. The lease transaction will not affect accounting or taxable profit on initial recognition and consequently there is no deferred tax accounting throughout the entire lease term. Instead, the temporary differences related to the right-of-use asset and the lease liability affect the effective tax rate and are disclosed as reconciling items when explaining the relationship between tax expense and accounting profit.

(p) Employee benefits

Pension obligations

The Company participates in a defined contribution plan whereby it pays contributions to a privately administered fund. Once the contributions have been paid, the Company has no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and are included in staff costs.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date. The Company recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after the year-end are discounted to present value.

Profit-sharing plans

A liability for employee benefits in the form of profit-sharing plans is recognised when there is no realistic alternative but to settle the liability and at least one of the following conditions is met:

(i) There is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or

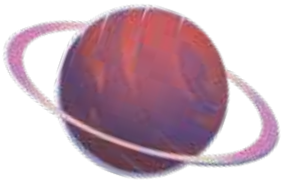
(ii) Past practice has created a valid expectation by employees that they will receive a profit-sharing and the amount can be determined before the time of issuing the financial statements.

Liabilities for profit-sharing plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*



2. Significant Accounting Policies (Continued)

(p) Employee benefits (continued)

Leave entitlements
Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Share-based payments
The Group operates an equity-settled, share-based compensation scheme. Senior executives and key management are awarded stock options. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in staff costs. The total amount expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of non-marketing conditions. When options are exercised, the proceeds net of any transactions costs or the value transferred are credited to share capital.

(q) Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed; the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(r) Dividends
Dividends are recorded as a deduction from equity in the period in which they are approved.

(s) Discontinued operations
A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

(t) Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board has established a Group Finance Department for managing and monitoring risks. This department is responsible for managing the Group's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group. It identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

COVID-19 has caused a contraction in all the sectors in which the Group operates. The spread of the virus, travel restrictions and measures to curtail the spread of the virus has had a significant effect on the demand for tourism, entertainment and related services. There has been no significant change to the Group's exposure to financial risks or the manner in which it manages and measures risk.

(a) Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is an important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers, investment activities and amounts loaned to related parties. The Group structures the levels of credit risk it undertakes by placing terms and limits on the amount of risk accepted in relation to a single counterparty or group of related counterparties.

Credit review process

The Group has a credit department whose responsibility involves regular analysis of the ability of customers and other counterparties to meet trade, interest, capital and other repayment obligations.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

(i) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The credit department has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Risky customers are required to provide a banker's guarantee and credit limits are assigned to each customer, which represents the maximum credit allowable without approval from the credit department; these are reviewed semi-annually. The Group has procedures in place to restrict customer orders if the order will exceed their credit limits. Customers that fail to meet the Group's benchmark creditworthiness may transact business with the Group on a prepayment basis.

Customers' credit risks are monitored according to their credit characteristics such as whether the customer is an individual or company, industry, ageing profile, and previous financial difficulties. Trade and other receivables relate mainly to the Group's wholesale, retail and food service customers.

The Group's average credit period on the sale of goods is 30 days. The Group has provided fully for all receivables based on an estimate of amounts that would be irrecoverable, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired.

(ii) Investments

The Group limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality. Accordingly, management does not expect any counterparty to fail to meet its obligations.

(iii) Loans receivable

The Group's exposure for credit risk for loans receivable is limited to related party JP Snacks Caribbean Limited; which management does not expect to fail to meet its obligations.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Maximum exposure to credit risk

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Receivables	2,513,230	2,437,692	2,482,612	2,435,967
Cash and short-term deposits	7,661,003	4,950,743	7,478,877	4,824,206
Investment securities	984,954	516,578	984,954	516,578
Loans receivable	205,685	175,932	205,685	175,932
	11,364,872	8,080,945	11,152,128	7,952,683

The table above represents a worst-case scenario of credit risk exposure at 30 June. During the year, the Group did not renegotiate any trade receivables.

Loss allowance

	2021			2020		
	Gross Carrying Amount $'000	Loss Allowance $'000	Expected loss rate	Gross Carrying Amount $'000	Loss Allowance $'000	Expected loss rate
0 to 30 days	1,531,884	460	0.03%	1,311,116	447	0.03%
31 to 60 days	370,009	111	0.03%	378,238	110	0.03%
60 to 90 days	119,116	60	0.05%	136,596	73	0.05%
90 days or more	61,136	39,334	64.34%	231,093	59,270	25.65%
Gross amount	2,082,145	39,965		2,057,043	59,900	

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Movements on the provision for impairment of trade receivables are as follows:

	The Group and Company	
	2021 $'000	2020 $'000
At 1 July	59,900	30,981
Provision for receivables impairment	12,881	43,388
Bad debt recovered	(32,816)	(14,469)
At 30 June	39,965	59,900

There are no financial assets other than those listed above that were individually impaired.

Credit exposure for trade receivables

The following table summarises the Group's and Company's credit exposure for trade receivables at their carrying amounts:

	The Group and Company	
	2021 $'000	2020 $'000
Retail	1,104,130	1,049,960
Wholesale	502,013	458,920
Hotels and Restaurants	321,212	419,328
Export	154,790	128,835
	2,082,145	2,057,043
Less: Provision for credit losses	(39,965)	(59,900)
	2,042,180	1,997,143

Investment securities and Loan receivables

The Group has assessed that the investment securities and loan receivables have not experienced a significant increase in credit risk since origination and are not credit impaired. The investment securities and loan receivables are classified at Stage 1. The Group computed the ECL using a 12-month PD that represents the PD occurring over the next 12 months. The resulting expected credit loss is insignificant and has not been recognised in the current and prior year. There were no stage migrations in the current year and prior year.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

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

(i) Monitoring future cash flows and liquidity on a regular basis. This incorporates an assessment of expected cash flows and the availability of high-grade collateral which could be used to secure funding if required.

(ii) Maintaining committed lines of credit; and

(iii) Optimising cash returns on investment.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the Group and its exposure to changes in interest rates and exchange rates.

The Company is contingently liable to its bankers in respect of guarantees in the ordinary course of business totaling approximately $64,500,000 (2020 - $11,500,000).

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Financial liabilities cash flows

The tables below summarise the maturity profile of the Group's and Company's financial liabilities at 30 June based on contractual undiscounted payments at contractual maturity dates.

	The Group					
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
	2021					
Liabilities						
Borrowings	145,319	145,653	548,839	1,331,486	75,344	2,246,641
Lease liabilities	9,135	18,270	55,111	-	-	82,516
Trade and other payables	3,190,606	830,001	275,269	-	-	4,295,876
Total financial liabilities	3,345,060	993,924	879,219	1,331,486	75,344	6,625,033

	The Group					
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
	2020					
Liabilities						
Borrowings	153,364	147,295	548,654	1,713,045	-	2,562,358
Lease liabilities	6,592	13,184	59,326	46,113	-	125,215
Trade and other payables	2,362,568	359,938	364,329	-	-	3,086,835
Total financial liabilities	2,522,524	520,417	972,309	1,759,158	-	5,774,408

Assets available to meet all the liabilities and to cover financial liabilities include cash and short-term deposits.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

	The Company					
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
	2021					
Liabilities						
Borrowings	145,319	145,653	548,839	1,331,486	75,344	2,246,641
Lease liabilities	9,135	18,270	55,111	-	-	82,516
Trade and other payables	3,168,823	830,001	275,269	-	-	4,274,093
Total financial liabilities	3,323,277	993,924	879,219	1,331,486	75,344	6,603,250

	The Company					
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
	2020					
Liabilities						
Borrowings	153,365	147,295	548,654	1,713,045	-	2,562,359
Lease liabilities	6,591	13,183	59,326	46,113	-	125,213
Trade and other payables	2,353,826	359,938	364,329	-	-	3,078,093
Total financial liabilities	2,513,782	520,416	972,309	1,759,158	-	5,765,665

Assets available to meet all the liabilities and to cover financial liabilities include cash and short-term deposits.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Group Finance Department. Market risk exposures are measured using sensitivity analysis.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange risk primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

Concentrations of currency risk

The Group and Company have accounts receivable, cash and deposits, long term receivable net of accounts payable and lease liabilities denominated in United States dollars, amounting to an asset of J$1,906,313,000 and J$1,896,927,000 at 30 June 2021 (2020 - J$2,341,830,000 and J$2,107,047,000) respectively. The Group and Company also have cash and deposits net of accounts payable denominated in Euros, amounting to an asset of J$22,113,000 (2020 - J$34,000).

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Foreign currency sensitivity

The following tables indicate the currencies to which the Group and Company had significant exposure on their monetary assets and liabilities and forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a reasonably expected change in foreign currency rates.

	The Group			
	% Change in Currency Rate	Effect on Profit before Taxation 2021 $'000	% Change in Currency Rate	Effect on Profit before Taxation 2020 $'000
	%		%	
Currency:				
USD - revaluation	(38,126)	+2	+2	(46,837)
USD - devaluation	114,379	-6	-6	140,510
EURO - revaluation	(442)	+2	+2	(1)
EURO - devaluation	1,327	-6	-6	2

	The Company			
	% Change in Currency Rate	Effect on Profit before Taxation 2021 $'000	% Change in Currency Rate	Effect on Profit before Taxation 2020 $'000
	%		%	
Currency:				
USD - revaluation	(37,939)	+2	+2	(42,141)
USD - devaluation	113,816	-6	-6	126,423
EURO - revaluation	(442)	+2	+2	(1)
EURO - devaluation	1,327	-6	-6	2

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

The Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities.

The following tables summarise the exposure to interest rate risk. It includes the financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	The Group						
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
				2021			
Assets							
Investment securities	-	72,715	330,112	582,127	-	58,713	1,043,667
Receivables	-	-	-	-	-	2,513,230	2,513,230
Cash and short-term deposits	4,272,335	3,388,194	-	-	-	474	7,661,003
Long-term receivable	-	-	-	197,476	-	8,209	205,685
Total financial assets	4,272,335	3,460,909	330,112	779,603	-	2,580,626	11,423,585
Liabilities							
Borrowings	138,938	130,050	496,463	1,241,800	72,800	-	2,080,051
Trade and other payables	-	-	-	-	-	4,295,876	4,295,876
Lease liabilities	8,734	17,598	53,960	-	-	-	80,292
Total financial liabilities	147,672	147,648	550,423	1,241,800	72,800	4,295,876	6,456,219
Total interest repricing gap	4,124,663	3,313,261	(220,311)	(462,197)	(72,800)	(1,715,250)	4,967,366

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Group						
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Non-Interest Bearing	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	2020						
Assets							
Investment securities	-	-	447,267	69,311	-	61,942	578,520
Receivables	-	-	-	-	-	2,437,692	2,437,692
Cash and short-term deposits	3,404,307	1,545,995	-	-	-	441	4,950,743
Long-term receivable	-	-	-	-	172,414	3,518	175,932
Total financial assets	3,404,307	1,545,995	447,267	69,311	172,414	2,503,593	8,142,887
Liabilities							
Borrowings	147,365	112,250	443,062	1,547,750	-	-	2,250,427
Trade and other payables	-	-	-	-	-	3,086,835	3,086,835
Lease liabilities	5,996	12,082	55,888	45,152	-	-	119,118
Total financial liabilities	153,361	124,332	498,950	1,592,902	-	3,086,835	5,456,380
Total interest repricing gap	3,250,946	1,421,663	(51,683)	(1,523,591)	172,414	(583,242)	2,686,507

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company						
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
	2021						
Assets							
Investment securities	-	72,715	330,112	582,127	-	58,713	1,043,667
Receivables	-	-	-	-	-	2,482,612	2,482,612
Cash and short-term deposits	4,090,209	3,388,194	-	-	-	474	7,478,877
Long term receivable	-	-	-	197,476	-	8,209	205,685
Total financial assets	4,090,209	3,460,909	330,112	779,603	-	2,550,008	11,210,841
Liabilities							
Borrowings	138,938	130,050	496,463	1,241,800	72,800	-	2,080,051
Lease liabilities	8,734	17,598	53,960	-	-	-	80,292
Trade and other payables	-	-	-	-	-	4,274,093	4,274,093
Total financial liabilities	147,672	147,648	550,423	1,241,800	72,800	4,274,093	6,434,436
Total interest repricing gap	3,942,537	3,313,261	(220,311)	(462,197)	(72,800)	(1,724,085)	4,776,405

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company						
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
	2020						
Assets							
Investment securities	-	-	447,267	69,311	-	61,942	578,520
Receivables	-	-	-	-	-	2,435,967	2,435,967
Cash and short-term deposits	3,277,770	1,545,995	-	-	-	441	4,824,206
Long term receivable	-	-	-	-	172,414	3,518	175,932
Total financial assets	3,277,770	1,545,995	447,267	69,311	172,414	2,501,868	8,014,625
Liabilities							
Borrowings	147,365	112,250	443,062	1,547,750	-	-	2,250,427
Lease liabilities	5,996	12,082	55,888	45,152	-	-	119,118
Trade and other payables	-	-	-	-	-	3,078,093	3,078,093
Total financial liabilities	153,361	124,332	498,950	1,592,902	-	3,078,093	5,447,638
Total interest repricing gap	3,124,409	1,421,663	(51,683)	(1,523,591)	172,414	(576,225)	2,566,987

Interest rate sensitivity

The Group and Company have no significant sensitivity to interest rate risk as all borrowings are at fixed rates.

(iii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is exposed to equity price risk because of equity investments held and classified on the statement of financial position as fair value through other comprehensive income. The Group manages its price risk by trading these instruments when appropriate to reduce the impact of any adverse price fluctuations.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(iii) Price risk (continued)

The table below summarises the impact of increases/ (decreases) on the Company's other components of equity. The analysis is based on the assumption that the equity prices had increased by 5% and decreased by 5% (2020 - 10% increase and decrease) with all other variables held constant.

	Equity Securities	
	Effect on Other Components of Equity 2021	Effect on Other Components of Equity 2020
Change in index:	**$'000**	**$'000**
Decrease of 5% (2020 – 10%)	(2,936)	(6,194)
Increase of 5% (2020 – +5%)	2,936	3,097

(d) Capital management

The Group manages its capital resources according to the following objectives:

(i) To continue as a going concern in order to provide benefits for stakeholders;

(ii) To maintain a strong capital base which is sufficient for the future development of the Group's operations; and

(iii) To comply with capital requirements as stipulated by loan covenants.

The Group is exposed to externally imposed capital requirements as a result of loans issued by specific financial institutions as follows:

	Required	Actual 2021	Actual 2020
Minimum current assets to current liabilities	1.20:1	2.44:1	2.46:1
Maximum debt to equity ratio	2.33:1	0.10:1	0.12:1
Minimum interest cover	2.9 times	34 times	30 times
Minimum debt service coverage margin	2.0 times	6.19 times	5.71 times

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

3. Financial Risk Management (Continued)

(e) Fair value estimation

Financial instruments that are measured in the statement of financial position at fair value are classified by level in one of the following fair value measurement hierarchy:

- Level 1 includes those instruments which are measured based on quoted prices in active markets for identical assets or liabilities.
- Level 2 includes those instruments which are measured using inputs other than quoted prices 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 includes those instruments which are measured using valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

The Group's financial instruments are classified as amortised cost and fair value through other comprehensive income as disclosed in Note 20.

The amounts included in the financial statements for cash and short-term deposits, receivables and payables, and due to parent company reflect their approximate fair values because of the short-term maturity of these instruments.

The fair value of long-term borrowings and long-term receivables approximates carrying value as the contractual cash flows are at current market interest rates that are available to the Group for similar financial instruments.

There were no transfers between the Levels.

	The Group and Company			
	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
		2021		
Investment securities –				
Quoted equities	58,713	-	-	58,713

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
		2020		
Investment securities –				
Quoted equities	61,868	-	-	61,868
Unquoted equities	-	-	74	74
	61,868	-	74	61,942

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has not made any judgements that would cause a significant impact on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for possible tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of investment in associate

In assessing impairment of the Group's investments of its associated company, JP Snacks Caribbean Limited, management has used a value-in-use (VIU) methodology to determine the recoverable amount. The VIU methodology requires management to estimate discount rates, gross profit margins and a terminal value of growth rate in determining the recoverable amount. These estimates are unobservable, and the recoverable amount is sensitive to changes in these estimates.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

5. Revenue

Revenues can be disaggregated as follows:

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Export	628,009	445,275	628,009	445,275
Local	30,709,582	31,083,541	30,709,582	31,083,541
Related parties	467,163	631,065	467,163	631,065
Revenue transferred at a point in time	31,804,754	32,159,881	31,804,754	32,159,881
Revenue from insurance contracts (being total revenue recognised over time)	11,676	10,545	-	-
	31,816,430	32,170,426	31,804,754	32,159,881

6. Other Operating Income

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Bad debts recovered	32,816	14,469	32,816	14,469
Capital grant	-	8,586	-	8,586
Commission income	10,112	9,690	-	-
Discount received	25,908	30,093	25,908	30,093
Foreign exchange gains	69,449	194,345	69,449	194,345
Gain on disposal of property, plant and equipment	901	95	901	95
Management fees (Note 14(d))	7,314	13,034	7,314	13,034
Other	4,515	120	4,515	7,283
Rebates	32,226	32,400	32,226	32,400
Rental income (Note 14(d))	25,654	11,883	25,654	11,883
Royalty income	23,712	15,883	23,712	15,883
Storage income	7,974	6,401	7,974	6,401
	240,581	336,999	230,469	334,472

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

7. Expenses by Nature

	The Group		The Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Advertising costs	426,478	786,942	426,478	786,942
Audit fees	15,527	13,550	12,571	11,740
Bad debt expense	12,881	43,388	12,881	43,388
Commissions	111,358	149,990	111,358	149,990
Cost of inventory recognised as expense	17,919,750	18,063,794	17,919,750	18,063,794
Delivery and motor vehicle expense	1,539,294	1,584,202	1,539,294	1,584,202
Directors fees	13,261	14,572	12,820	14,160
Insurance	30,094	10,427	274,197	247,228
Other operating expenses	1,209,876	1,041,609	1,013,133	843,989
Property expenses, including depreciation	2,082,886	2,218,684	2,082,886	2,218,684
Royalties (Note 14 (c))	22,406	30,939	22,406	30,939
Staff costs (Note 8)	4,539,779	4,678,085	4,539,779	4,678,085
Utilities	342,548	622,301	342,548	622,301
	28,266,138	29,258,483	28,310,101	29,295,442

8. Staff Costs

	The Group and Company	
	2021 $'000	2020 $'000
Wages and salaries	3,622,830	3,777,391
Statutory contributions	377,465	386,471
Other	249,290	267,219
Pension contributions (Note 33)	158,815	156,246
Share-based payment expenses	87,314	80,320
Termination costs	44,065	10,438
	4,539,779	4,678,085

Notes to the Financial Statements

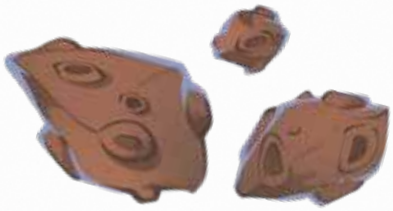
30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

9. Finance Income

	The Group and Company	
	2021	2020
	$'000	$'000
Dividend income	859	1,510
Gain on disposal of investments	1,840	-
Interest income	192,835	136,941
	195,534	138,451

10. Finance Costs

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Interest expense -				
Bank borrowings	137,500	146,037	137,500	146,037
Leases (note 27)	8,319	9,524	8,319	9,524
	145,819	155,561	145,819	155,561
Net foreign exchange loss on foreign currency leases	7,844	12,301	7,844	12,301
Other	67	283	671	283
	153,730	168,145	154,334	168,145



Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

11. Taxation

The taxation charge is computed on the profit for the year, adjusted for tax purposes, and comprises income tax at 25%:

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Current income tax	703,574	628,600	702,915	628,101
Prior year under/(over-accrual)	60,933	(7,779)	60,933	(7,779)
Deferred income tax (Note 31)	(33,852)	(37,784)	(33,852)	(37,784)
	730,655	583,037	729,996	582,538
Tax expense attributable to:				
Profit from continuing operations	730,655	557,565	729,996	557,066
Profit from discontinued operations (Note 12)	-	25,472	-	25,472
	730,655	583,037	729,996	582,538

The tax on the Group's and Company's profit differs from the theoretical amount that would arise using the statutory tax rate as follows:

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Profit before tax from continuing operations	3,802,955	3,220,232	3,766,322	3,169,217
Profit before tax from discontinued operations	-	165,208	-	165,208
	3,802,955	3,385,440	3,766,322	3,334,425
Tax calculated at applicable tax rate on continuing operations	950,739	846,360	941,581	833,606
Adjusted for the effects of:				
Income not subject to tax	(28,842)	(30,546)	(28,842)	(30,546)
Expenses not deductible for tax purposes	20,249	11,658	20,249	11,658
Share of results of associate	7,431	(246)	-	-
Employment tax credit	(266,505)	(233,021)	(266,505)	(233,021)
Adjustment to prior provision	60,933	(7,779)	60,933	(7,779)
Tax incurred at another rate	(15,930)	(12,009)	-	-
Other	2,580	8,620	2,580	8,620
Tax expense	730,655	583,037	729,996	582,538

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

12. Discontinued Operations

On 31 December 2019, the Group and Company ceased operations of the manufacturing of foam products due to the January 1, 2020 ban on Styrofoam products by the Government of Jamaica.

The financial performance and cash flow information presented at June 30, 2020 are as follows:

	2020 $'000
Revenue	945,035
Cost of sales	(664,111)
Gross profit	280,924
Other operating expense	(115,716)
Profit before taxation	165,208
Taxation	(25,472)
Net profit after tax from discontinued operations	139,736

Other operating expense represents loss on disposal of property, plant and equipment.

	2020 $'000
Operating cash flows, being net cash flows	286,118

Details of the net assets of the discontinued operations are as follows:

	2020 $'000
Property, plant and equipment	115,716
Inventories	30,666
	146,382

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

13. 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 during both years.

	2021	2020
Net profit attributable to ordinary stockholders from continuing operations ($'000)	3,072,300	2,662,667
Net profit attributable to ordinary stockholders from discontinued operations ($'000)	-	139,736
Net profit attributable to ordinary stockholders ($'000)	3,072,300	2,802,403
Weighted average number of ordinary stock units in issue ('000)	3,750,000	3,750,000
Basic earnings per stock unit from continuing operations ($)	0.82	0.71
Basic earnings per stock unit from discontinued operations ($)	-	0.04
Basic earnings per stock unit ($)	0.82	0.75

The diluted earnings per stock unit is calculated by adjusting the weighted average number of ordinary stock units outstanding to assume conversion of all dilutive potential ordinary stock units.

	2021	2020
Net profit attributable to ordinary stockholders from continuing operations ($'000)	3,072,300	2,662,667
Net profit attributable to ordinary stockholders from discontinued operations ($'000)	-	139,736
Net profit attributable to ordinary stockholders ($'000)	3,072,300	2,802,403
Weighted average number of ordinary stock units in issue ('000)	3,750,000	3,750,000
Effect of dilutive potential ordinary stock units ('000)	3,298	1,237
	3,753,298	3,751,237
Diluted earnings per stock unit from continuing operations ($)	0.82	0.71
Diluted earnings per stock unit from discontinued operations ($)	-	0.04
Diluted earnings per stock unit ($)	0.82	0.75

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

14. Related Party Transactions and Balances

Parent Entities:
The group is controlled by the following entity:

Entity	Type	Country of Incorporation	Group's percentage interest	
			2021	2020
Wisynco Group Caribbean Limited	Immediate parent	Barbados	74	74
Evesam Investments Holdings Limited	Ultimate parent	Cayman Islands	74	74

Subsidiary:
Interest in subsidiary is set out in note 2(b)(i).

Associate:
Interests in associates are set out in note 2(b)(ii) and note 18.

Affiliates:
Affiliates comprise companies in which the immediate parent has some share ownership. The following entities are affiliates of the Group:

Convenient Brands Limited
Trade Winds Citrus Limited
Worthy Park Estate Limited
Seville Development Corporation Limited
Recycling Partners

The Group and Company entered into the following significant transactions with related parties during the year:

(a) Sale of goods and services

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Convenient Brands Limited	475,115	630,053	463,439	619,508
JP Snacks Caribbean Limited	971	9,504	971	9,504
Trade Winds Citrus Limited	86	649	86	649
Worthy Park Estate Limited	1,638	1,404	1,638	1,404
Key management	1,029	-	1,029	-
	478,839	641,610	467,163	631,065

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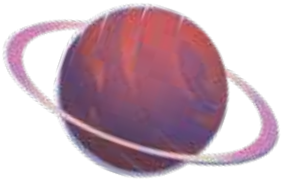
30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*



14. Related Party Transactions and Balances (Continued)

(b) Purchases of goods and services

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Trade Winds Citrus Limited	3,469,596	3,699,907	3,469,596	3,699,907
Antillean Foods Inc	592,534	793,287	592,534	793,287
Worthy Park Estate Limited	3,498,845	3,039,939	3,498,845	3,039,939
	7,560,975	7,533,133	7,560,975	7,533,133

(c) Expenses

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Insurance Expense				
Indies Insurance Company Limited	-	-	263,856	236,801
Interest expense				
Seville Development Corporation Limited	357	381	357	381
Rebates				
Convenient Brands Limited	1,019	1,293	1,019	1,293

(d) Expenses

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Royalties				
Trade Winds Citrus Limited	22,406	30,939	22,406	30,939

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30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

14. Related Party Transactions and Balances (Continued)

Income

	The Group and Company	
	2021	2020
	$'000	$'000
Interest Income		
JP Snacks Caribbean Limited	5,638	5,438
Management Fees		
Convenient Brands Limited	7,314	13,034
Rental Income		
Worthy Park Estates Limited	25,654	11,883

(f) Year-end balances

Receivables (Note 22)	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Receivables from subsidiary -				
Indies Insurance Company Limited	-	-	-	3,164
Receivables from affiliates -				
Convenient Brands Limited	182,319	125,905	182,319	125,905
Trade Winds Citrus Limited	33,509	26,709	33,509	26,709
JP Snacks Caribbean Limited	19,337	3,898	19,337	3,898
Worthy Park Estates Limited	3,661	51,582	3,661	51,582
Other affiliates	383	2,266	383	2,266
Receivable from parent company	5	5	5	5
Included in receivables and prepayments	239,214	210,365	239,214	213,529
Long term receivable from associate				
Antillean Foods Inc (Note 19)	19,225	-	19,225	-
JP Snacks Caribbean Limited (Note 19)	186,460	175,932	186,460	175,932
	205,685	175,932	205,685	175,932

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14. Related Party Transactions and Balances (Continued)

(f) Year-end balances (continued)

Payables (Note 24)	The Group and Company	
	2021	**2020**
	$'000	**$'000**
Payables to affiliate -		
Convenient Brands Limited	7,943	204
Recycling Partners	95,425	82,789
Seville Development Corporation Limited	29,045	27,708
Trade Winds Citrus Limited	358,068	318,381
Worthy Park Estates Limited	266,804	192,760
	757,285	621,842
Payable to associate		
Antillean Foods Inc	12,289	52,949
Included in trade and other payables	769,574	674,791

(g) Key management compensation

	The Group		The Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Salaries and other short-term employee benefits	407,504	372,152	407,504	372,152
Statutory contributions	27,218	21,577	27,218	21,577
Pension benefits	24,468	22,958	24,468	22,958
	459,190	416,687	459,190	416,687
Directors' emoluments –				
Management remuneration (included above)	253,137	230,690	253,137	230,690
Fees	13,261	14,572	12,820	14,160

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30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

14. Related Party Transactions and Balances (Continued)

(h) Dividends declared

	The Group and Company	
	2021	2020
	$'000	$'000
Parent company	832,855	777,331
Key management	19,646	16,657
	852,501	793,988

Included in dividends declared are dividends accrued of $568,310,000 (2020 - $254,328,000) (Note 14(h)).

Dividends accrued

	The Group and Company	
	2021	2020
	$'000	$'000
Parent company	555,237	249,857
Key management	13,073	4,471
	568,310	254,328

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

15. Property, Plant and Equipment

	The Group and Company						
	Land and Buildings	Furniture, Fixtures & Equipment	Motor Vehicles	Leasehold Improvements	Right of use assets	Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost -							
At 1 July 2019	3,819,577	7,092,943	782,702	19,032	-	-	11,714,254
Additions	53,336	468,459	156,684	-	182,273	794,059	1,654,811
Transfers to intangible assets (Note 16)	-	(158,971)	-	-	-	-	(158,971)
Adjustment	(83,390)	83,390	-	-	-	-	-
Disposals/Adjustments	-	(474,004)	(12,064)	-	-	-	(486,068)
At 30 June 2020	3,789,523	7,011,817	927,322	19,032	182,273	794,059	12,724,026
Additions	1,164	252,819	110,680	6,093	57,754	221,015	649,525
Transfers	109,418	543,515	-	-	-	(652,933)	-
Transfer to intangible assets (Note 16)	-	-	-	-	-	(6,086)	(6,086)
Adjustment	-	10,309	(20,703)	-	-	(28,245)	(38,639)
Disposals	(691)	(131,790)	(7,105)	-	-	-	(139,586)
At 30 June 2021	3,899,414	7,686,670	1,010,194	25,125	240,027	327,810	13,189,240
Depreciation -							
At 1 July 2019	511,235	4,040,658	419,051	19,032	-	-	4,989,976
Charge for the year	113,111	773,233	136,747	-	73,786	-	1,096,877
Relieved on disposal	-	(358,288)	(7,859)	-	-	-	(366,147)
Transfer to intangible assets (Note 16)	-	(85,171)	-	-	-	-	(85,171)
At 30 June 2020	624,346	4,370,432	547,939	19,032	73,786	-	5,635,535
Charge for the year	111,642	705,167	161,493	73	92,641	-	1,071,016
Relieved on disposal	(553)	(131,790)	(7,105)	-	-	-	(139,448)
Adjustments	-	(7,034)	(1,733)	-	-	-	(8,767)
At 30 June 2021	735,435	4,936,775	700,594	19,105	166,427	-	6,558,336
Net Book Value -							
30 June 2021	3,163,979	2,749,895	309,600	6,020	73,600	327,810	6,630,904
30 June 2020	3,165,177	2,641,385	379,383	-	108,487	794,059	7,088,491

The categorisation of right-of-use assets is detailed in Note 26.

Included in depreciation charges are amounts in respect of discontinued operations of $Nil (2020: $13,225,000).

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30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

16. Intangible Assets

	The Group and Company	
	Computer Software $'000	Total $'000
Cost -		
At 1 July 2019	-	-
Transfer from property, plant and equipment	158,971	158,971
Additions	21,275	21,275
At 1 July 2020	180,246	180,246
Transfer from property, plant and equipment (Note 15)	6,086	6,086
Additions	3,849	3,849
At 30 June 2021	190,181	190,181
Amortisation -		
At 1 July 2019	-	-
Transfer from property, plant and equipment	85,171	85,171
Charge for the year	62,913	62,913
At 1 July 2020	148,084	148,084
Charge for the year	23,850	23,850
At 30 June 2021	171,934	171,934
Net Book Amount		
30 June 2021	18,247	18,247
30 June 2020	32,162	32,162

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Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

17. Investment in Subsidiaries

	The Company	
	2021	2020
	$'000	$'000
Indies Insurance Company – 100% 50,000 Ordinary shares, fully paid	11,375	11,375

18. Investment in Associate

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
At beginning of year	604,267	593,961	586,169	586,169
Amounts recognised in other comprehensive income	5,636	9,322	-	-
Amounts recognised in profit and loss	(29,722)	984	-	-
Amounts recognised in the statement of financial position	580,181	604,267	586,169	586,169

Investment in associate for the current year comprise amounts recognised in the statement of financial position relating to ownership of 30% of the issued share capital of JP Snacks Caribbean Limited (consolidated) which was acquired on 29 April 2019. JP Snacks Caribbean Limited is the parent company and provides administrative services to its subsidiary Antillean Foods Inc. Antillean Foods Inc. manufactures and sells organic and tropical snacks of dried fruits.

JP Snacks Caribbean Limited and its subsidiary Antillean Foods Inc. are private companies and there is no quoted market price available for its shares.

There are no contingent liabilities relating the Group's interest in JP Snacks Caribbean Limited (consolidated).

The Group's share of intangible assets related to JP Snacks Caribbean Limited includes trademarks, brands, customer relationships with an estimated useful life of 25, 5 and 10 years respectively, as well as goodwill.

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

18. Investment in Associates (Continued)

The summarised information for JP Snacks Caribbean Limited (consolidated) that was accounted for using the equity method as at 30 June 2021 is as follows:

Summarised statement of financial position

	2021 $'000	2020 $'000
Current		
Cash and cash equivalents	71,357	91,348
Other current assets (excluding cash)	454,467	248,626
Total current net assets	525,824	339,974
Other current liabilities (including trade payables)	223,134	136,776
Total current liabilities	223,134	136,776
Non-current		
Intangible assets	508,037	538,430
Total non-current assets	879,736	958,956
Total non-current liabilities	674,866	574,304
Net assets	507,562	587,850

Summarised income statement

	Group 2021 $'000	Group 2020 $'000
Revenue	1,456,742	1,390,449
Depreciation	(82,203)	(66,937)
Amortisation	(57,744)	(54,409)
Interest expense	(24,943)	(17,310)
(Loss)/Profit before income tax	(97,361)	4,037
Taxation expense	(1,712)	(759)
(Loss)/Profit after tax	(99,073)	3,278
Total comprehensive income	(80,288)	34,352

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18. Investment in Associates (Continued)

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associate

	2021 $'000	2020 $'000
Summarised financial information		
Opening net assets	587,850	553,498
(Loss)/Profit for the period	(99,073)	3,278
Other comprehensive income for the period	18,785	31,074
Closing net assets	507,562	587,850
Interest in associates (%)	30%	30%
Interest in associates (J$)	152,269	176,355
Carrying value	580,181	604,267

Reconciliation of investment in associate to the Company's share of net assets:

	The Group	
	2021 $'000	2020 $'000
Share of net assets	152,269	176,355
Goodwill	427,912	427,912
Carrying value	580,181	604,267

An impairment assessment was conducted by comparing the recoverable amount of the Group's investment in JP Snacks Caribbean Limited to the carrying amount as at 30 June 2021. Management has determined that the investment in JP Snacks Caribbean Limited is not impaired as the recoverable amount determined exceeds the carrying amount. The recoverable amount of the investment was determined based on VIU calculations as discussed in Note 4(b).

The VIU calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The key assumptions used in the estimation of value-in-use were as follows:

	The Group	
	2021	2020
Pre-tax discount rate	12%	-
Terminal value growth rate	3%	-
Gross profit margin	38%	-

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18. Investment in Associates (Continued)

If the terminal value growth rate had been 1.4% lower than management's estimates, the carrying value of the investment in JP Snacks Caribbean Limited would have been equal to the recoverable amount.

If the pre-tax discount rate had been 0.9% higher than management's estimates, the carrying value of the investment in JP Snacks Caribbean Limited would have been equal to the recoverable amount.

If the gross profit margins had been 1% lower than management's estimates, the carrying value of the investment in JP Snacks Caribbean Limited would have been equal to the recoverable amount.

19. Loans Receivable

A promissory note of US$1,230,555 was issued to JP Snacks Caribbean Limited on 29 April 2020. The note matures 29 April 2026 and interest accrues daily at an interest rate of 3% per annum payable at the maturity date. The carrying amount of $186,460,000 (2020 - $175,932,000) includes interest receivable of $8,115,000 (2020 – 3,518,000).

A promissory note of US$132,000 was issued to Antillean Foods Inc. on 28 April 2021. The note matures 30 June 2024 and interest accrues daily at an interest rate of 6% per annum payable at the maturity date. The carrying amount of $19,225,000 includes interest receivable of $94,000.

20. Investment Securities

	The Group and Company	
	2021	2020
	$'000	$'000
Equity investment securities measured at fair value through other comprehensive income:		
Quoted	58,713	61,868
Unquoted	-	74
	58,713	61,942
Debt investment securities measured at amortised cost:		
Corporate bonds	984,954	516,578
Total investment securities	1,043,667	578,520

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20. Investment Securities (Continued)

	The Group and Company	
	2021 $'000	2020 $'000
At beginning of year	578,520	509,445
Additions	768,075	150,442
Disposals	(323,317)	(130,385)
Foreign exchange gain	9,027	31,716
Fair value gains charged to fair value reserve	11,362	17,302
	1,043,667	578,520
Current portion	(402,827)	(447,267)
Non-current portion	640,840	131,253
Quoted	58,713	61,868
Unquoted	984,954	516,652
	1,043,667	578,520

21. Inventories

	The Group and Company	
	2021 $'000	2020 $'000
Raw materials	953,736	1,000,649
Finished goods	124,946	174,530
Merchandise for resale	1,651,287	1,640,649
	2,729,969	2,815,828
Less: Provision for obsolete inventories	(11,476)	(10,553)
	2,718,493	2,805,275
Goods-in-transit	872,625	511,485
	3,591,118	3,316,760

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22. Receivables

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Trade receivables	2,082,145	2,057,043	2,082,145	2,057,043
Less: Provision for doubtful debts	(39,965)	(59,900)	(39,965)	(59,900)
Trade receivables, net	2,042,180	1,997,143	2,042,180	1,997,143
Prepayments	77,400	60,991	77,382	60,991
Receivables from related parties (Note 14(e))	239,214	210,365	239,214	213,529
Principal receivables	117,376	96,846	117,376	96,846
Other receivables	158,879	163,029	128,261	158,140
	2,635,049	2,528,374	2,604,413	2,526,649

23. Cash and Cash Equivalents

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Cash and bank balances	2,450,213	2,112,130	2,268,087	1,985,593
Short-term deposits	5,210,790	2,838,613	5,210,790	2,838,613
	7,661,003	4,950,743	7,478,877	4,824,206
Bank overdrafts (Note 25)	(103,501)	(111,927)	(103,501)	(111,927)
Balances with maturity dates over 3 months	(291,935)	(1,201,686)	(291,935)	(1,201,686)
	7,265,567	3,637,130	7,083,441	3,510,593

The weighted average effective interest rates on cash and short-term bank deposits at the year-end are as follows:

	2021	2020
	%	%
Short-term deposits –		
J$	3.20	3.84
US$	3.44	3.81

WISYNCO GROUP LIMITED

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24. Payables

	The Group		The Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Trade payables	2,082,876	1,518,319	2,082,876	1,518,319
Statutory contributions payable	75,482	60,856	75,482	60,856
Dividend payable (Note 34)	750,000	337,500	750,000	337,500
Accrued expenses	537,551	378,257	537,551	378,257
Payables to related parties (Note 14 (e))	769,574	674,791	769,574	674,791
Other payables	374,847	369,310	353,064	360,568
	4,590,330	3,339,033	4,568,547	3,330,291

25. Borrowings

(a) Composition of borrowings

	The Group and Company	
	2021	2020
	$'000	$'000
Total borrowings -		
Bank loans -		
Long term	1,973,259	2,137,413
Bank overdraft	103,501	111,927
	2,076,760	2,249,340
Current -		
Bank overdraft (Note 23)	(103,501)	(111,927)
Current portion of long-term loans	(661,950)	(590,466)
Total current borrowings	(765,451)	(702,393)
Non-current borrowings	1,311,309	1,546,947

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

25. Borrowings (Continued)

(a) Composition of borrowings (continued)

	The Group and Company	
	2021	**2020**
	$'000	**$'000**
Non-current -		
(i) Bank of Nova Scotia (6% - 2023)	362,500	507,500
(ii) National Commercial Bank (6.18% -2023)	760,000	1,064,000
(iii) Bank of Nova Scotia (5.65%, 2024)	424,423	565,913
(iv) National Commercial Bank (5.5% -2027)	426,336	-
	1,973,259	2,137,413
Less: Current portion	(661,950)	(590,466)
	1,311,309	1,546,947

Non-current borrowings

(i) This loan is unsecured and attracts interest at a fixed rate of 6% per annum. It is repayable over six years at $36,250,000 principal payments per quarter after an initial moratorium period of up to 15 months from the initial disbursement.

(ii) This loan is unsecured and attracts interest at a fixed rate of 6.18% per annum. It is repayable over seven years at $76,000,000 principal payments per quarter after an initial moratorium period of up to 9 months from the initial disbursement.

(iii) This loan is unsecured and attracts interest at a fixed rate of 5.65% per annum. It is repayable over 5 years at $35,437,500 principal payments per quarter after an initial moratorium period of up to 15 months. The carrying value includes unamortised commitment fees of $827,000 (2020 - $1,087,000).

(iv) This loan is unsecured and attracts interest at a fixed rate of 5.5% per annum. It is repayable over seven years at $17,800,000 principal payments per quarter. The carrying value includes unamortised commitment fees of $2,464,000.

WISYNCO GROUP LIMITED

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25. Borrowings (Continued)

(b) Interest rate risk exposure

The weighted average effective interest rates on borrowings at the year-end were as follows:

	The Group and Company	
	2021	**2020**
	%	**%**
Current -		
Bank overdraft	34.75 - 37.75	39.75 - 40
Bank borrowings	5.5 - 6.18	5.65 - 6.18
Non-current -		
Bank borrowings	5.65 - 6.18	5.65 - 6.18

26. Leases

This note provides information for leases where the Group is a lessee.

(a) Amounts recognised in the statement of financial position

	The Group and Company	
	30 June 2021 $'000	**1 July 2020 $'000**
Right-of-use assets		
Land and buildings (Note 15)	73,600	108,487
Lease liabilities		
Current	80,292	73,966
Non-current	-	45,152
	80,292	119,118

The right-of-use assets in the statement of financial position relate to warehouse spaces leased for the storage of inventory.

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26. Leases (Continued)

(b) Lease liabilities

	The Group and Company
	$'000
1 July 2019	182,273
Lease payments	(84,980)
Interest expense	9,524
Foreign exchange translation	12,301
1 July 2020	119,118
Additions	57,754
Lease payments	(112,743)
Interest expense	8,319
Foreign exchange translation	7,844
30 June 2021	80,292

Income arising from the sub-lease of right-of-use assets to a related party amounted to $23,266,000 (2020 - $11,883,000) (Notes 6 and 14).

(c) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to right-of-use assets and lease liabilities:

	The Group and Company	
	2021 $'000	2020 $'000
Depreciation charge on right-of-use assets		
Land and buildings (Note 15)	92,641	73,786
Interest expense	8,319	9,524

27. Share Capital

	2021 $'000	2020 $'000
Authorised –		
4,000,000,000 (2020 – 4,000,000,000) Ordinary stock units		
Issued and fully paid –		
3,750,000,000 (2020 – 3,750,000,000) Ordinary stock units at no par value	1,192,647	1,192,647

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

28. Other Reserves

	The Group and Company	
	2021	2020
	$'000	$'000
Realised gains	24,998	24,998
Unrealised surplus on revaluation of land and buildings	72,740	72,740
Share-based payments, net of taxes	209,543	100,400
Fair value gains on financial instruments – fair value through other comprehensive income	61,758	50,396
	369,039	248,534

Realised gains
This represents realised gains on the sale of assets.

Unrealised surplus on revaluation of land and building
This represents freehold land and buildings which were valued in 1993 by Stoppi Cairney Bloomfield and the resulting revaluation surplus of $126,400,000 was credited to capital reserve. The revalued amounts were used as the deemed cost of these assets, upon transition to IFRS.

Fair value gains on financial instruments measured at fair value through other comprehensive income and financial instruments
This represents the fair value of quoted equity instruments.

Share-based payments
The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not exercised under the Group's Employee Share Option Scheme (Note 36).

29. Translation Reserve

The translation reserve represents a cumulation of exchange differences arising on translation of the Company's foreign-controlled entity and foreign associate. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

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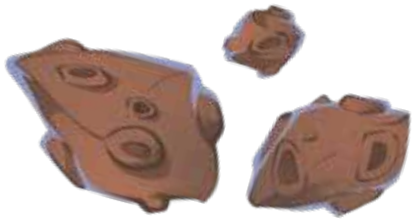
30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

30. Net Profit/Retained Earnings

	The Group	
	2021	**2020**
	$'000	**$'000**
At beginning of the year	11,485,457	9,733,054
Net profit/(loss) attributable to:		
Company	3,036,326	2,751,887
Subsidiary	65,696	49,532
Associate	(29,722)	984
	3,072,300	2,802,403
Dividends	(1,125,000)	(1,050,000)
At end of the year	13,432,757	11,485,457



WISYNCO GROUP LIMITED

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30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

31. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 25%.

The movement on the deferred income tax account is as follows:

	The Group and Company	
	2021	2020
	$'000	$'000
At the beginning of the year	155,647	213,511
Credited to profit or loss (Note 11)	(33,852)	(37,784)
Credited to equity	(21,829)	(20,080)
At end of the year	99,966	155,647

The movement in deferred tax assets and liabilities during the year is as follows:

Deferred tax liabilities

	The Group and Company			
	Excess of Capital Allowances over Depreciation	Unrealised Foreign Exchange Gain	Interest Receivable	Total
	$'000	$'000	$'000	$'000
At 1 July 2019	227,667	11,824	-	239,491
(Credited)/Charged to profit or loss	(55,287)	8,859	-	(46,428)
At 30 June 2020	172,380	20,683	-	193,063
(Credited)/Charged to profit or loss	(32,055)	(2,328)	2,052	(32,331)
At 30 June 2021	140,325	18,355	2,052	160,732

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

31. Deferred Income Taxes (Continued)

Deferred tax assets

	Finance lease $'000	Accrued vacation $'000	Employee share option scheme	Unrealised Foreign exchange losses $'000	Interest payable $'000	Total $'000
At 1 July 2019	228	13,011	-	5,716	7,025	25,980
(Charged)/credited to profit or loss	(228)	(2,868)	-	193	(5,741)	(8,644)
Credited to equity	-	-	20,080	-	-	20,080
At 30 June 2020	-	10,143	20,080	5,909	1,284	37,416
Credited/(charged) to profit or loss	-	(327)	-	2,191	(343)	1,521
Credited to equity	-	-	21,829	-	-	21,829
At 30 June 2021	-	9,816	41,909	8,100	941	60,766

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

31. Deferred Income Taxes (Continued)

The amounts shown in the statement of financial position include the following to be recovered or settled after more than twelve months:

	The Group and Company	
	2021	**2020**
	$'000	**$'000**
Deferred tax assets to be recovered	41,909	20,080
Deferred tax liabilities to be settled	140,325	172,380

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position

	The Group and Company	
	2021	**2020**
	$'000	**$'000**
Deferred tax liabilities	(99,966)	(155,647)
At end of the year	(99,966)	(155,647)

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

32. Cash Provided by Operating Activities

Cash provided by operating activities includes the following amounts:

	The Group		The Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Net Profit from:				
Continuing operations	3,072,300	2,662,667	3,036,326	2,612,151
Discontinued operations	-	139,736	-	139,736
Net profit before tax including discontinued operations	3,072,300	2,802,403	3,036,326	2,751,887
Items not affecting cash:				
Share of results of associates (Note 18)	29,722	(984)	-	-
Depreciation (Note 15)	1,071,016	1,096,877	1,071,016	1,096,877
Amortisation (Note 16)	23,850	62,913	23,850	62,913
Amortisation of loan commitment fees	671	283	671	283
Non-cash employee benefits expense – share-based payments (Note 8)	87,314	80,320	87,314	80,320
Gain on sale of property, plant and equipment	(901)	(95)	(901)	(95)
Interest income (Note 9)	(192,835)	(136,941)	(192,835)	(136,941)
Gain on sale of investment (Note 9)	(1,840)	-	(1,840)	-
Write-off of property, plant and equipment	-	115,716	-	115,716
Adjustment to property, plant and equipment (Note 15)	29,872	115,716	29,872	-
Dividend income (Note 9)	(859)	(1,510)	(859)	(1,510)
Interest expense (Note 10)	145,819	155,561	145,819	155,561
Taxation expense (Note 11)	730,655	583,037	729,996	582,538
Exchange gain on foreign currency balances	(52,716)	(115,389)	(58,809)	(125,154)
	4,942,068	4,642,191	4,869,620	4,582,395
Changes in operating assets and liabilities:				
Inventories	(274,358)	(91,074)	(274,358)	(91,074)
Receivables and prepayments	(106,675)	62,093	(77,764)	59,662
Trade and other payables	840,171	(311,567)	827,130	(309,457)
Cash generated from operations	5,401,206	4,301,643	5,344,628	4,241,526
Taxation paid	(737,646)	(628,452)	(736,657)	(628,109)
Cash provided by operating activities	4,663,560	3,673,191	4,607,971	3,613,417

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

32. Cash Provided by Operating Activities (Continued)

Reconciliation of movements of liabilities to cash flows arising from financing.
Amounts represent bank and other loans, excluding bank overdrafts

	The Group and Company	
	2021	2020
	$'000	$'000
At 30 June 2020	2,137,413	2,663,043
Loans received	500,000	-
Commitment fees paid	(2,875)	-
Loans repaid	(661,950)	(525,913)
Amortisation of commitment fees	671	283
At 30 June 2021	1,973,259	2,137,413

The principal non-cash transactions include the acquisition of right-of-use assets (Note 15).

33. Pension Scheme

The Company participates in a defined contribution pension plan administered by Sagicor Life Jamaica Limited. Members contribute 5% of pensionable earnings which is matched by the employer. The employer also matches additional voluntary contributions, not exceeding 5%, made by members aged 45 and over who have 10 or more years of service. Pension contributions for the year was $158,815,000 (2020 - $160,741,000) for the Group and the Company.

Pension contributions comprise

	The Group and Company	
	2021	2020
	$'000	$'000
Continuing operations (Note 8)	158,815	156,246
Discontinued operations	-	4,495
	158,815	160,741

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

34. Dividends

	2021	2020
	$'000	$'000
10 cents per stock unit – 27 August 2019	-	375,000
9 cents per stock unit – 3 March 2020	-	337,500
9 cents per stock unit – 12 August 2020 (declared on 26 June 2020)	-	337,500
10 cents per stock unit - 25 February 2021	375,000	-
20 cents per stock unit - 5 August 2021 (declared on 28 June 2021)	750,000	-
	1,125,000	1,050,000

35. Segment Reporting

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.

36. Employee Share Option Scheme

On October 1, 2019, the Company established an Employee Share Option Scheme administered by a committee of the Board of Directors. The Company received the approval to authorize a maximum of 5% of the total number of issued shares of no-par value, to be set aside for allocation and sale to the executive and other key management of the Company, at this year's annual general meeting. The allocation and sale of these shares are governed by the provisions of the Company's Long-Term Incentive Plan Policy and the plan provides for an equitable adjustment of the allocated number of shares by reason of stock splits, stock dividend, recapitalization, combinations or exchanges of shares.

The plan is designed to provide long term incentives for executive and key management to deliver long-term shareholder returns. Under the plan, participants are granted options which vest when service conditions are met. Participation in the plan is at the board's discretion, responsibility of which has been delegated to the Corporate Governance and Compensation sub-committee. No individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Options are granted under the Plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. The exercise price of options is determined by the Corporate Governance and Compensation Committee.

WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

36. Employee Share Option Scheme (Continued)

Options granted under the plan during the financial year 2021 are as follows:

	Average exercise price per option $	Number of options
As at 1 July 2019	-	-
Granted during the year	15.62	24,574,000
Forfeited during the year	15.62	(930,000)
As at 30 June 2020	15.62	23,644,000
Forfeited during the year	15.62	(1,170,200)
As at 30 June 2021	15.62	22,473,800

The number of options vested and exercisable at the year-end is 11,407,000 (2020 – nil).
No options expired during the period.
Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry Date	Exercise Price	Share options 30 June 2021	Share options 30 June 2020
1 Oct 2019	1 April 2024	7.87	2,281,400	2,364,400
1 Oct 2019	1 April 2024	16.00	8,974,400	9,457,600
1 Oct 2019	1 April 2025	23.00	11,218,000	11,822,000
Total			22,473,800	23,644,000

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

36. Employee Share Option Scheme (Continued)

The fair value at the grant date is independently determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2021 included:

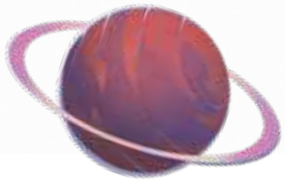
(a) Options vest based on defined service period.
(b) Vested options are exercisable for a period of three years after vesting.
(c) Exercise price: $7.87, $16.00, $23.00
(d) Grant date: 1 October 2020
(e) Expiry date: 1 April 2024, 1 April 2025
(f) Share price: $23.79
(g) Expected price volatility: 35.55% (based on historic volatility)
(h) Expected dividend yield: 0.71%
(i) Risk-free interest rate: 3.5%

37. Subsequent Event

An additional 6,250,000 ordinary stock units were listed on The Jamaica Stock Exchange on July 1, 2021. This increased the company's total issued ordinary shares to 3,756,250,000 units of which 779,000 units were issued to employees who exercised stock options under the Company's Long-Term Incentive Plan Policy.

38. Impact of the COVID-19 Pandemic

Since the outbreak of COVID-19 in March 2020, global markets have experienced, and continue to experience significant volatility and there are significant consequences for the global and local economies from travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The impact of the COVID-19 pandemic contributed to a decline in the Group's revenue of 1.1% for the year ended 30 June 2021 compared to the prior year. This decline is the result of the closure of certain sectors of the local economy such as hotels, restaurants, bars and schools. During this period, the Group has taken measures to preserve its operations and the health and safety of its employees and customers. These measures include working from home orders, social distancing practices and mandatory wearing of masks by employees. The Group continues to assess the credit worthiness of its counterparties, and where necessary, has implemented payment plans to minimise the possibility of default and non-collection.



WISYNCO GROUP LIMITED

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

39. Prior Year Adjustments

Foreign Exchange Gains

Net foreign exchange gains recognised in the prior year, in relation to operating assets and liabilities (accounts receivable, accounts payable and cash balances) have been reclassified to other income. Additionally, foreign exchange losses in relation to leases were reclassified from finance income to finance cost. The Group is of the view that the reclassification of the gains results in a more relevant characterisation of the gains, and a better presentation of the financial statements. The reclassification of these gains is permitted under IAS 1, 'Presentation of Financial Statements'.

The impact of the reclassification on the company statement of comprehensive income as at 30 June 2020 is described below:

	Previously reported	Reclassification adjustment	Reclassified balance
Finance income	320,495	(182,044)	138,451
Finance cost	(155,844)	(12,301)	(168,145)
Other operating income	140,127	194,345	334,472

The impact of the reclassification on the consolidated statement of comprehensive income as at 30 June 2020 is described below:

	Previously reported	Reclassification adjustment	Reclassified balance
Finance income	320,495	(182,044)	138,451
Finance cost	(155,844)	(12,301)	(168,145)
Other operating income	142,654	194,345	336,999

The exchange differences charged/credited to the income statement are included as follows:

	The Group and Company	
	2021	2020
	$'000	$'000
Other operating income	85,118	194,345
Finance cost	(7,844)	(12,301)
Net foreign exchange gain	77,274	182,044

Notes to the Financial Statements

30 June 2021 *(expressed in Jamaican dollars unless otherwise indicated)*

39. Prior Year Adjustments (Continued)

Key Management Compensation and Directors' Emoluments

Certain expenses should not have been included in the prior year's financial statement disclosure for key management compensation and director's emoluments. The prior year's disclosure has been amended to exclude these amounts. The impact of the inclusion on the prior year's disclosure is as follows. The adjustments relate to both the Group and the Company.

	Previously reported	Adjustment	Restated Balance
Salaries and other short-term employee benefits	453,574	(81,422)	372,152
Statutory contributions	22,358	(781)	21,577
Pension benefits	22,958	-	22,958
	498,890	(82,203)	416,687

	Previously reported	Adjustment	Restated Balance
Directors' Emoluments-Management remuneration	343,717	(113,027)	230,690

Group Insurance Expenses

The prior year elimination of insurance expenses was recorded against other operating expenses and not insurance expense. The impact of the adjustment on the Group financial statements, is as below.

	Previously reported	Reclassification adjustment	Reclassified Balance
Insurance expense	247,228	(236,801)	10,427
Other operating expenses	804,808	236,801	1,041,609

None of the above adjustments impacted the net profit, or equity recorded in the prior year's financial statements. Also, there was no impact on the prior year's statement of financial position or statement of cash flows.

FORM OF PROXY

I / We _____

of _____

being a Member/Members of Wisynco Group Limited, hereby appoint:

_____

of _____

or failing him/her: _____

of _____

as my/our proxy to vote on my/our behalf at the Annual General meeting of Wisynco Group Limited to be held on Thursday, February 3rd 2022 at 10:00 A.M. and at any adjournment thereof.

SIGNED this _____ day of _____ 202__

SIGNATURE of Shareholder: _____

RESOLUTIONS	FOR	AGAINST
1		
2		
3		
4		
5		
6		
7		
8		

NOTE:

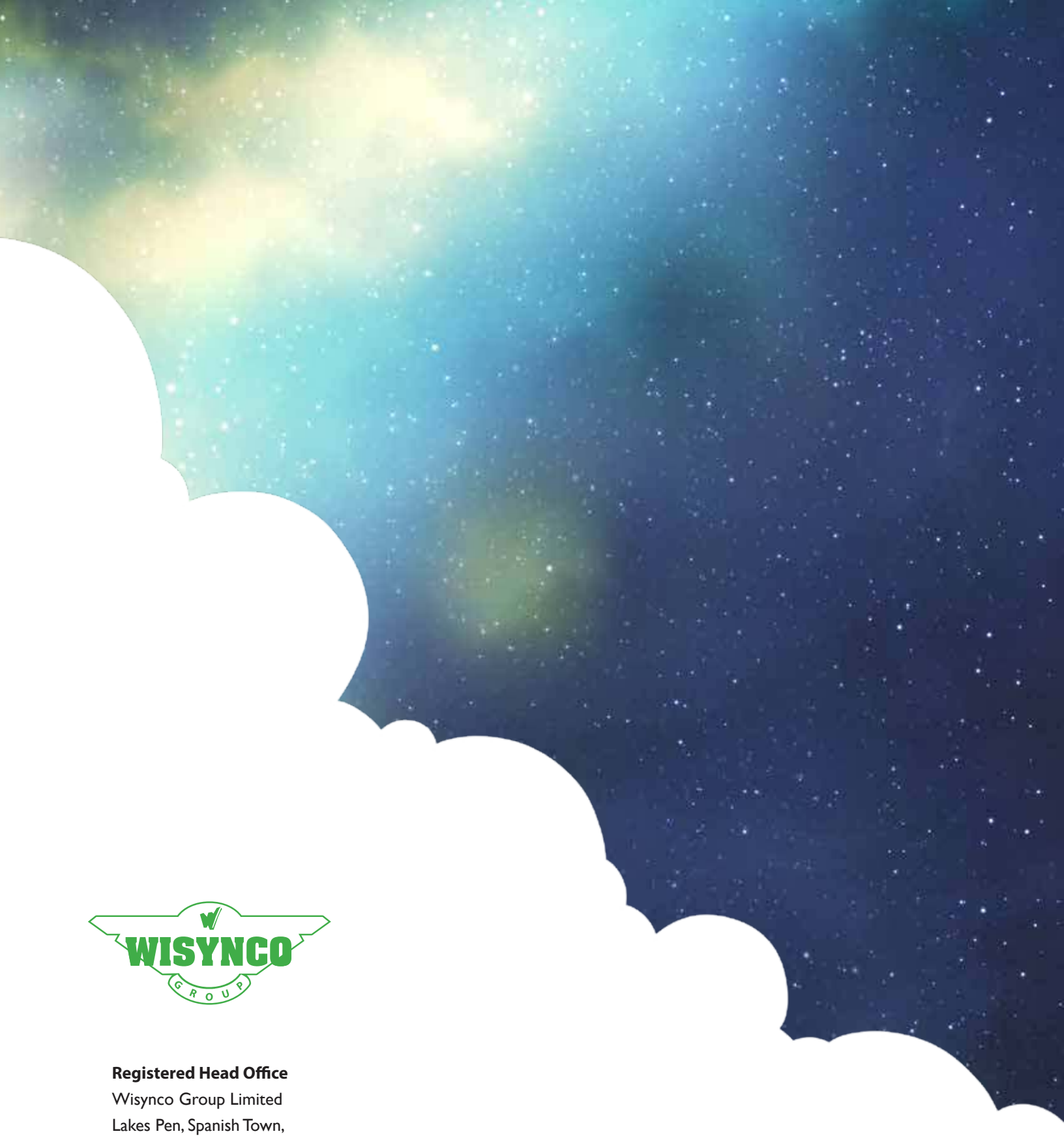
To be valid, Forms of Proxy must be lodged either at the Company's Registered Office located at Lakes Pen Road, St. Catherine, or with the Registrar of the Company, the JCSD located at 40 Harbour Street, Kingston, not less than 48 hours before the time of the meeting. The Form of Proxy should bear stamp duty of $100.00 which may be paid by adhesive stamps which are to be cancelled by the person signing the Proxy.

Place Stamp here

$100

NOTES

Annual Report designed by Heather Kong-Smith



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