

Jetcon Corporation Limited

INTERIM RESULTS

Second Quarter ended June 2022



Unaudited Financial Statements

Report of the Directors to Shareholders of

Jetcon Corporation Limited

For the Second Quarter ending June 2022

Jetcon rebounding with half year profit up 140%

Jetcon Corporation ended the second quarter of 2022 with revenue increasing 21 percent, to \$252 million, compared with the same period in 2021 and 23 percent for the half year to \$506 million.

Net Profit for the quarter fell by 21 percent, from \$5.4 million in 2021 to \$4.2 million in 2022 but is up 140 percent for the half year to \$14 million, which is just below the audited results for the full 2021 financial year.

Cost of Sales rose a bit faster in the second quarter than sales as certain local cost to put vehicles appropriate sales climbed sharply of 24 percent, versus sales increase of 21 percent. Cost of sales for the six months were in line with revenues; both up 23 percent.

The above is an indication that we continue to recover from the fall out we experienced over the past two years.

July sales a marginally above last year in dollars but we expect sales to continue on a positive path for the remainder of the year.

With total inventories at \$366 million we have an adequate supply of vehicles with a small stock of EV units, to meet the needs of customers who want these units.

Receivables remains steady but reflect mostly deposits with suppliers accounting for 56 percent of the total.

The full reopening of the economy and rebound tourist arrivals back 2019 levels are welcomed developments for the country and business as a whole.


John Jackson

Chairman


Andrew Jackson

Managing Director

JETCON CORPORATION LIMITED
Statement of Comprehensive Income
Second Quarter Ending June 30, 2022

	2nd Quarter		6 months to June		Audited 12 months
	2022	2021	2022	2021	2021
Revenues	251,582,907	208,487,353	506,411,812	410,524,023	873,260,822
Cost of Sales	<u>219,377,628</u>	<u>177,011,863</u>	<u>434,474,819</u>	<u>353,898,394</u>	<u>750,790,936</u>
Gross Profit	<u>32,205,279</u>	<u>31,475,490</u>	<u>71,936,993</u>	<u>56,625,629</u>	<u>122,469,886</u>
EXPENSES					
Sales and Marketing	6,702,079	5,494,729	14,701,174	11,154,668	22,941,491
Administrative and other	17,532,644	16,639,252	34,466,152	31,201,397	63,513,224
Other Operating Expenses	3,733,252	3,404,581	8,586,312	7,019,398	14,820,855
Finance	<u>51,134</u>	<u>651,016</u>	<u>51,423</u>	<u>1,371,766</u>	<u>4,640,428</u>
	<u>28,019,109</u>	<u>26,189,578</u>	<u>57,805,061</u>	<u>50,747,229</u>	<u>105,915,998</u>
Profit Before Taxation	<u>4,186,170</u>	<u>5,285,912</u>	<u>14,131,932</u>	<u>5,878,400</u>	<u>16,553,888</u>
Taxation	=	=	=	=	<u>1,131,832</u>
Net Profit after Tax	4,186,170	5,285,912	14,131,932	5,878,400	15,422,056
Other comprehensive income:					
Fair Value Investment gains	=	=	=	=	<u>10,694</u>
Total comprehensive income	<u>\$4,186,170</u>	<u>5,285,912</u>	<u>\$14,131,932</u>	<u>5,878,400</u>	<u>15,432,750</u>
Earnings per share (cents)	<u>0.72</u>	<u>0.91</u>	<u>2.42</u>	<u>1.01</u>	<u>2.64</u>

JETCON CORPORATION LIMITED
Statement of Financial Position
Second Quarter Ending June 30, 2022

ASSETS	Unaudited		Audited
	2022	2021	December 2021
NON-CURRENT ASSETS:			
FIXED ASSETS	<u>168,574,211</u>	<u>173,745,411</u>	<u>172,957,380</u>
CURRENT ASSETS:			
Inventories	365,846,064	402,579,279	447,096,615
Receivables	78,607,883	68,307,817	63,476,115
Due from Parent	20,345,639	10,345,639	10,345,639
Investment	86,472	72,232	76,829
Cash and Equivalents	<u>18,036,658</u>	<u>7,517,599</u>	<u>53,673,749</u>
Total Current Assets	<u>482,922,716</u>	<u>488,822,566</u>	<u>574,668,947</u>
CURRENT LIABILITIES:			
Payables	35,880,188	50,637,604	168,572,188
Right of Use Liability	15,357,718	15,357,718	15,357,718
Short Term Borrowings	<u>30,115,877</u>	<u>34,982,678</u>	<u>677,532</u>
Total Current Liabilities	<u>81,353,783</u>	<u>100,978,000</u>	<u>184,607,438</u>
NET CURRENT ASSETS	401,568,933	387,844,566	390,061,509
Rights of Use long term Liability	<u>0</u>	15,133,848	<u>7,007,677</u>
	<u>\$570,143,144</u>	<u>546,456,129</u>	<u>556,011,212</u>
SHAREHOLDERS EQUITY	<u>\$570,143,144</u>	<u>546,456,129</u>	<u>565,439,874</u>


 John Jackson

Chairman


 Andrew Jackson

Managing Director

JETCON CORPORATION LIMITED
Statement of Cash Flows
Second Quarter Ending June 30, 2022

	2022	2021
Cash Flows from operating activities		
Net Income	14,131,932	5,878,400
Non-Cash Items		
Depreciation	10,166,859	8,998,859
Other adjustments	<u>(1,006,538)</u>	
Net Cash provided by Operations	<u>23,292,253</u>	<u>14,877,259</u>
Changes in working Capital	<u>(76,573,217)</u>	<u>(38,756,289)</u>
Cash Flows from Financing activities		
Loans repaid net	<u>(7,007,677)</u>	<u>(17,257,357)</u>
Net cash used provided by investing activities	<u>(7,007,677)</u>	<u>(17,257,357)</u>
Investment Activity	<u>(5,112,505)</u>	(12,686,406)
Cash used in finding operations	<u>(65,401,146)</u>	(53,822,793)
Cash Balance at Beginning of Period	<u>53,321,927</u>	<u>26,357,714</u>
Cash Balance at End of Period	<u>\$ (12,079,219)</u>	<u>(27,465,079)</u>
Represented by cash and equivalent		
Bank Overdraft	<u>(30,115,877)</u>	(34,982,678)
Cash and Bank balance	<u>18,036,658</u>	<u>7,517,599</u>
	<u>\$ (12,079,219)</u>	<u>(27,465,079)</u>

JETCON CORPORATION LIMITED
Statement of Shareholders' equity
Second Quarter Ending June 30, 2022

	No. of Shares	Share Capital	Capital Reserve	Retained Earnings	Total
Balance at December 2020	194,500,000	88,817,218	16,776,645	434,983,866	540,577,729
Total Comprehensive Income for Period	0	0		5,878,400	5,878,400
Balance at June 2021	<u>194,500,000</u>	<u>\$88,817,218</u>	<u>16,776,645</u>	<u>440,862,266</u>	<u>546,456,129</u>
Balance at December 2021	194,500,000	88,817,218	16,787,339	450,406,655	556,011,212
Total Comprehensive Income for Period				<u>14,131,932</u>	<u>14,131,932</u>
Balance at June 2022	<u>194,500,000</u>	<u>\$88,817,218</u>	<u>16,787,339</u>	<u>464,538,587</u>	<u>570,143,144</u>


 John Jackson
 Chairman


 Andrew Jackson
 Managing Director

Jetcon Corporation Limited

Notes to the Financial Statements

For the Second Quarter ending June 30, 2022

1. IDENTIFICATION

Jetcon Corporation Limited is incorporated and domiciled in Jamaica. Its registered office is situated at 2 Sandringham Avenue, Kingston 10, Jamaica, WI.

The Company is listed on the Junior Market of the Jamaica Stock Exchange. The principal activity of the company is the importation of motor vehicles for resale in Jamaica.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

The interim financial report for the reporting period ended June 30, 2022 has been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting'.

Changes in significant accounting policies relevant to the company's operations:

IFRS 9, Financial instruments replaces the provisions of IAS 39 that relates to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, and impairment of financial assets. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' [ECL], which means that a loss event will no longer need to occur before an impairment allowance is recognised. The impact of the application of **IFRS 9** is not considered material to the company's disclosure. The immateriality disclosure exemption under IAS 1 'Presentation of Financial Statements', has been applied.

The company 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 the ECL. As a practical expedient, a provision matrix is utilized in determining the lifetime ECLs for trade receivables.

The adoption of **IFRS 9** from January 1, 2018 resulted in no adjustments to the comparative figures presented in the financial statements. Further, as stated above, the immateriality exemption under IAS 1 'Presentation of Financial Statements', has been applied.

Jetcon Corporation Limited
Notes to the Financial Statements
For the Second quarter ending June 30, 2022

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (continued)

BASIS OF PREPARATION

(b) Property, plant and equipment

Items of property, plant and equipment are stated at cost and valuation less accumulated depreciation. Depreciation is recognized on profit or loss on the straight-line basis, over the estimated useful lives of property, plant, motor vehicles and equipment except for land and investment properties.

(c) Borrowings

Borrowings are recognized initially as the proceeds received net of transaction costs incurred and are subsequently stated at amortized cost using the effective interest method with any differences between proceeds net of transactions cost and the redemption value recognized in income along with regular interest charges over the period of the borrowings.

(d) Inventories

Inventories are valued at the lower of cost or net realisable value.

3. EARNINGS PER SHARE

Earnings per share is based on 583,500,000 shares issued.