



**Wisynco Group Limited**  
**Interim Report (Unaudited)**  
**1st Quarter ended**  
**30 September 2022**

## **Wisynco Group Limited (Wisynco) – Interim Report to Stockholders**

The Directors are pleased to present the unaudited financial results for the first quarter ended September 30, 2022, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Revenues for the quarter of \$11.9 billion represent the highest in the company's history, an increase of 29.8% above the \$9.2 billion achieved in the corresponding quarter of the previous year. We are encouraged by the increased demand for our products in all channels including exports which were up 10% over the same quarter of the prior year. The supply chain challenges continued into this quarter however we are seeing improvements.

Gross Profit for the quarter of \$4.3 billion was 31.8% more than the \$3.3 billion achieved in the same quarter of the previous year. Our Gross Margin at 36.2% was slightly higher than the 35.6% for the corresponding quarter in the prior year.

Selling, Distribution & Administrative expenses (SD&A) for the quarter totaled \$2.6 billion or 27.4% more than the \$2 billion for the corresponding quarter of the prior year. Our SD&A expense to sales ratio was 21.6% for the quarter, compared to 22.0% in the prior year. Inflationary increases and variable expenses, which increase with Revenues, are the primary reasons for the expenditure growth however these increases are at a slower rate when compared to the rate of growth in Revenues.

Profit before Taxation for the quarter was \$1.7 billion, which is \$445 million or 34.7% higher than the \$1.3 billion of the comparative quarter for the prior year and includes an exchange loss of \$126 million (\$59 million loss for the comparative quarter last year).

After provision for taxes, Wisynco recorded Net Profits Attributable to Stockholders of \$1.3 billion, or 35c per share for the quarter, which was 34.1% greater than the \$967 million earned for the prior year. Earnings per share for the prior year quarter was 26c.

Our Balance Sheet remains strong with a current ratio of 2.8 (same as last year's quarter). Inventories remain higher than the prior year although slightly lower than at June 30, 2022, as we continue to maintain higher amounts of key materials due to supply chain challenges. We expect some normalization of inventories going into Q2 and Q3 as we utilize the inventories on-hand and we are seeing less congestion at global ports and freight rates improving.

Recycling efforts through Recycle Partners of Jamaica (RPJ) which involve the collection, baling, and exporting of plastic bottles have been ramped up with very productive industry meetings/collaboration. RPJ's reported collection rate is upward of 16%, up from 5% when RPJ started two-and-a-half years ago, with the intention to reach 30% by December 2023. The industry's commitment and the strategic efforts are designed to ensure we (the industry) do our part to keep our country clean. We expect RPJ to commence reporting on this data to the public in the coming months in order to ensure complete visibility on the efforts of the Partnership.

Again, we express our sincere gratitude to all our team members who have done their very best as we move forward, and the efforts of our entire team has been commendable. To all our customers, consumers and stockholders, we remain thankful for your continued support and wish everyone good health.



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William Mahfood  
Chairman



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Andrew Mahfood  
Chief Executive Officer

**Wisynco Group Limited**  
Group Statement of Comprehensive Income  
**Three months ended 30 September 2022**

|  | Unaudited<br>Quarter<br>ended<br>30 September<br>2022<br>\$'000 | Unaudited<br>Quarter<br>ended<br>30 September<br>2021<br>\$'000 | Audited<br>Year<br>ended<br>June<br>2022<br>\$'000 |
|--|---|---|--|
| <b>Revenue</b>   | 11,947,427  | 9,205,902   | 39,045,880   |
| Cost of sales  | (7,622,029)   | (5,924,959)   | (25,794,948)                                       |
| <b>Gross Profit</b>  | <b>4,325,398</b>  | <b>3,280,943</b>  | <b>13,250,932</b>                                  |
| Other operating income   | 57,533  | 44,585  | 151,559  |
| Selling and distribution expenses  | (2,124,354)   | (1,645,662)   | (7,094,702)  |
| Administration expenses  | (454,834)   | (378,575)   | (1,437,412)  |
| <b>Operating Profit</b>  | <b>1,803,742</b>  | <b>1,301,291</b>  | <b>4,870,377</b>                                   |
| Finance income   | 85,216  | 66,736  | 301,258  |
| Finance costs  | (149,509)   | (86,363)  | (149,059)  |
| Share of results of associate  | (11,358)  | 1,634   | (28,124)   |
| <b>Profit before Taxation</b>  | <b>1,728,091</b>  | <b>1,283,298</b>  | <b>4,994,452</b>                                   |
| Taxation   | (430,925)   | (316,286)   | (940,769)  |
| <b>Net Profit</b>  | <b>1,297,166</b>  | <b>967,012</b>  | <b>4,053,683</b>                                   |
| <b>Other Comprehensive Income</b>  |   |   |  |
| Items that may be subsequently reclassified to P&L:  |   |   |  |
| Exchange differences on translation of foreign subsidiary                                  | (1,537)   | (8,577)   | (570)  |
| Share of other comprehensive income of associate   | (7,333)   | (368)   | 18,504   |
| Items that may not be subsequently reclassified to P&L:                                    |   |   |  |
| Unrealised losses on investment securities   | (20,033)  | (639)   | 114,701  |
| <b>Total Comprehensive Income</b>  | <b>1,268,263</b>  | <b>957,428</b>  | <b>4,186,318</b>                                   |
| <b>Net Profit attributable to:</b>   |   |   |  |
| Stockholders of Wisynco Group Limited  | 1,297,166   | 967,012   | 4,053,683  |
| <b>Total Comprehensive Income attributable to:</b>   |   |   |  |
| Stockholders of Wisynco Group Limited  | 1,268,263   | 957,428   | 4,186,318  |
| <b>Basic and diluted earnings per stock unit attributable to stockholders of the group</b> | <b>3</b>  | <b>\$0.35</b>   | <b>\$0.26</b>                                      |
|  |   | <b>\$1.08</b>   |  |

**Wisynco Group Limited**  
Group Statement of Financial Position  
**30 September 2022**

|                                |      | Unaudited<br>September 30<br>2022<br>\$'000 | Unaudited<br>September 30<br>2021<br>\$'000 | Audited<br>June 30<br>2022<br>\$'000 |
|--------------------------------|------|---|---|--------------------------------------|
|                                | Note |   |   |                                      |
| <b>Non-Current Assets</b>      |      |   |   |                                      |
| Property, plant and equipment  |      | 6,498,469                                   | 6,456,681                                   | 6,276,824                            |
| Intangible asset               |      | 4,077                                       | 15,413                                      | 6,911                                |
| Investment in associate        | 4    | 551,870                                     | 581,447                                     | 570,561                              |
| Loans receivable               |      | 209,985                                     | 206,834                                     | 212,723                              |
| Investment securities          |      | 1,679,761                                   | 797,499                                     | 1,070,595                            |
|                                |      | <b>8,944,162</b>                            | <b>8,057,874</b>                            | <b>8,137,614</b>                     |
| <b>Current Assets</b>          |      |   |   |                                      |
| Inventories                    |      | 5,240,400                                   | 2,933,297                                   | 5,415,339                            |
| Receivables and prepayments    |      | 4,331,008                                   | 3,390,457                                   | 4,017,597                            |
| Investment securities          |      | 497,172                                     | 482,773                                     | 641,526                              |
| Cash and short-term deposits   | 5    | 7,177,852                                   | 7,609,656                                   | 7,679,736                            |
|                                |      | <b>17,246,432</b>                           | <b>14,416,183</b>                           | <b>17,754,198</b>                    |
| <b>Current Liabilities</b>     |      |   |   |                                      |
| Trade and other payables       |      | 4,539,562                                   | 3,797,733                                   | 5,998,416                            |
| Short-term borrowings          |      | 790,901                                     | 771,033                                     | 759,322                              |
| Lease Liability                |      | 129,683                                     | 53,498                                      | 63,115                               |
| Taxation payable               |      | 654,795                                     | 579,477                                     | 453,639                              |
|                                |      | <b>6,114,941</b>                            | <b>5,201,741</b>                            | <b>7,274,492</b>                     |
| <b>Net Current Assets</b>      |      | <b>11,131,491</b>                           | <b>9,214,442</b>                            | <b>10,479,706</b>                    |
|                                |      | <b>20,075,653</b>                           | <b>17,272,316</b>                           | <b>18,617,320</b>                    |
| <b>Shareholders' Equity</b>    |      |   |   |                                      |
| Share capital                  | 6    | 1,258,673                                   | 1,208,583                                   | 1,258,319                            |
| Other reserve                  |      | 511,469                                     | 367,240                                     | 515,130                              |
| Translation reserve            |      | 68,928                                      | 50,919                                      | 77,798                               |
| Retained earnings              |      | 17,282,388                                  | 14,399,613                                  | 15,985,222                           |
|                                |      | <b>19,121,458</b>                           | <b>16,026,355</b>                           | <b>17,836,469</b>                    |
| <b>Non-current Liabilities</b> |      |   |   |                                      |
| Deferred tax liabilities       |      | 33,886                                      | 99,966                                      | 33,885                               |
| Borrowings                     |      | 790,446                                     | 1,145,995                                   | 642,053                              |
| Lease Liabilities              |      | 129,863                                     | -   | 104,913                              |
|                                |      | <b>954,195</b>                              | <b>1,245,961</b>                            | <b>780,851</b>                       |
|                                |      | <b>20,075,653</b>                           | <b>17,272,316</b>                           | <b>18,617,320</b>                    |



William Mahfood  
Chairman



Andrew Mahfood  
Chief Executive Officer

**Wisynco Group Limited**  
**Group Statement of Changes in Equity**  
**Three months ended 30 September 2022**

|   | Number of<br>Shares  | Share Capital<br>\$'000 | Capital<br>Reserves<br>\$'000 | Retained<br>Earnings<br>\$'000 | Translation<br>Reserve<br>\$'000 | Total Equity<br>\$'000 |
|---|----------------------|-------------------------|-------------------------------|--------------------------------|----------------------------------|------------------------|
| <b>Balance as at 1 July 2021</b>  | <b>3,750,000,000</b> | <b>1,192,647</b>        | <b>369,039</b>                | <b>13,432,757</b>              | <b>59,864</b>                    | <b>15,054,307</b>      |
| Net profit  | -                    | -                       | -                             | 967,012                        | -                                | <b>967,012</b>         |
| Changes in fair value of equity instruments measured at fair value through other comprehensive income | -                    | -                       | (639)                         | -                              | -                                | <b>(639)</b>           |
| Share-based payment expenses, net of taxes  | -                    | -                       | 6,897                         | -                              | -                                | <b>6,897</b>           |
| Share of other comprehensive income of associate  | -                    | -                       | -                             | -                              | (368)                            | <b>(368)</b>           |
| Exchange differences on translating foreign subsidiary  | -                    | -                       | -                             | -                              | (8,577)                          | <b>(8,577)</b>         |
| Total comprehensive income  | -                    | -                       | 6,258                         | 967,012                        | (8,945)                          | <b>964,326</b>         |
| <b>Transactions with Owners:</b>  |                      |                         |                               |                                |                                  |                        |
| Issue of Shares   | 6,250,000            |                         |                               |                                |                                  |                        |
| Amount held as treasury shares  | (5,249,000)          |                         |                               |                                |                                  |                        |
| Shares issued through LTIP  | 1,001,000            | 15,936                  | (8,057)                       | -                              | -                                | <b>7,879</b>           |
| Long Term Incentive Plan (LTIP) expenses, net of taxes  |                      |                         |                               |                                |                                  |                        |
| Dividends   | -                    | -                       | -                             | (156)                          | -                                | <b>(156)</b>           |
|   | -                    | 15,936                  | (1,799)                       | 966,856                        | (8,945)                          | <b>972,049</b>         |
| <b>Balance at 30 September 2021</b>   | <b>3,751,001,000</b> | <b>1,208,583</b>        | <b>367,240</b>                | <b>14,399,613</b>              | <b>50,919</b>                    | <b>16,026,355</b>      |
| <b>Balance as at 1 July 2022</b>  | <b>3,754,125,000</b> | <b>1,258,319</b>        | <b>515,130</b>                | <b>15,985,222</b>              | <b>77,798</b>                    | <b>17,836,469</b>      |
| Net profit  | -                    | -                       | -                             | 1,297,166                      | -                                | <b>1,297,166</b>       |
| Changes in fair value of equity instruments measured at fair value through other comprehensive income | -                    | -                       | (20,033)                      | -                              | -                                | <b>(20,033)</b>        |
| Long Term Incentive Plan (LTIP) expenses  | -                    | -                       | 16,556                        | -                              | -                                | <b>16,556</b>          |
| Share of other comprehensive income of associate  | -                    | -                       | -                             | -                              | (7,333)                          | <b>(7,333)</b>         |
| Exchange differences on translating foreign subsidiary  | -                    | -                       | -                             | -                              | (1,537)                          | <b>(1,537)</b>         |
| <b>Total comprehensive income</b>   | <b>-</b>             | <b>-</b>                | <b>(3,477)</b>                | <b>1,297,166</b>               | <b>(8,870)</b>                   | <b>1,284,819</b>       |
| <b>Transactions with Owners:</b>  |                      |                         |                               |                                |                                  |                        |
| Issue of shares   | 6                    | 6,250,000               | -                             | -                              | -                                | -                      |
| Amount held as treasury shares  | 6                    | (2,106,525)             | -                             | -                              | -                                | -                      |
| Shares issued through LTIP  | 6                    | 4,143,475               | 354                           | (184)                          | -                                | <b>170</b>             |
| <b>Balance as at 30 September 2022</b>  | <b>3,754,143,475</b> | <b>1,258,673</b>        | <b>511,469</b>                | <b>17,282,388</b>              | <b>68,928</b>                    | <b>19,121,458</b>      |

**Wisynco Group Limited**  
**Group Statement of Cash Flows**  
**Three months ended 30 September 2022**

|   | Quarter ended<br>30 September<br>2022<br>\$'000 | Quarter ended<br>30 September<br>2021<br>\$'000 |
|---|---|---|
| Net profit from operations:                             | 1,297,166                                       | 967,012   |
| <b>Items not affecting cash:</b>                        |   |   |
| Share of results of associate                           | 11,358  | (1,634)   |
| Depreciation  | 248,832   | 232,291   |
| Gain on sale of property, plant and equipment           | (9,138)   | -   |
| Adjustment to property, plant & equipment               | 2,215   | -   |
| Amortisation of intangibles                             | 2,834   | 2,834   |
| Amortisation of loan commitment fees                    | 893   | -   |
| Long Term Incentive Plan (LTIP) expenses                | 16,556  | 6,897   |
| Interest income   | (85,100)  | (66,613)  |
| Dividend income   | (116)   | (123)   |
| Interest expense  | 23,280  | 26,594  |
| Taxation expense  | 430,925   | 316,286   |
| Exchange difference on foreign currency balances        | (63,220)  | 32,126  |
|   | <b>1,876,485</b>                                | <b>1,515,669</b>                                |
| <b>Changes in operating assets and liabilities:</b>     |   |   |
| Inventories   | 174,939   | 657,821   |
| Receivables and prepayments                             | (313,411)                                       | (755,408)                                       |
| Trade and other payables                                | (708,029)                                       | (42,597)  |
| <b>Cash generated from operations</b>                   | <b>1,029,984</b>                                | <b>1,375,485</b>                                |
| Taxation paid   | (229,768)                                       | (201,008)                                       |
| <b>Cash provided by operating activities</b>            | <b>800,216</b>                                  | <b>1,174,477</b>                                |
| <b>Cash Flows from Investing Activities</b>             |   |   |
| Purchase of property, plant and equipment               | (349,075)                                       | (58,068)  |
| Purchase of investments securities                      | (604,875)                                       | (299,995)                                       |
| Net (withdrawals)/placements of deposits over 3 months  | (899,535)                                       | 291,935   |
| Proceeds on disposal of property, plant and equipment   | 9,138   | -   |
| Proceeds from sale of investments securities            | 149,721   | 72,715  |
| Long term receivables                                   | 2,738   | 976   |
| Dividend received                                       | 116   | 123   |
| Interest received                                       | 83,598  | 65,185  |
| <b>Cash (used in)/provided by investing activities</b>  | <b>(1,608,174)</b>                              | <b>72,871</b>                                   |
| <b>Cash Flows from Financing Activities</b>             |   |   |
| Interest paid   | (23,623)  | (30,356)  |
| Proceeds from long term loan                            | 313,707   | -   |
| Proceeds from shares issued under LTIP                  | 170   | 7,879   |
| Long-term loans repaid                                  | (165,488)                                       | (165,488)                                       |
| Lease liabilities repaid                                | (35,481)  | (28,601)  |
| Dividend paid   | (750,825)                                       | (750,156)                                       |
| <b>Cash used in financing activities</b>                | <b>(661,540)</b>                                | <b>(966,722)</b>                                |
| Effects of changes in foreign exchange rates            | 35,433  | (46,467)  |
| (Decrease)/Increase in cash and cash equivalents        | (1,434,065)                                     | 234,159   |
| <b>Cash and cash equivalents at beginning of period</b> | <b>7,582,364</b>                                | <b>7,265,567</b>                                |
| <b>Cash and Cash Equivalents at end of period</b>       | <b>6,148,299</b>                                | <b>7,499,726</b>                                |

**Wisynco Group Limited**  
Notes to the Interim Financial Statements  
**30 September 2022**

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**1. Basis of preparation**

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

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

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

**2. Segment reporting**

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

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

**3. Earnings per stock unit**

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

|   | <b>Quarter ended<br/>September 30<br/>2022</b> | <b>Quarter ended<br/>September 30<br/>2021</b> |
|---|--|--|
| Net profit attributable to ordinary stockholders (\$'000) | 1,297,166                                      | 967,012  |
| <b>Basic &amp; diluted earnings per stock unit</b>        | <b>\$0.35</b>                                  | <b>\$0.26</b>                                  |

**Wisynco Group Limited**  
Notes to the Interim Financial Statements  
**30 September 2022**

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**4. Investment in Associate**

|  | <b>2022</b>           |
|--|-----------------------|
|  | <b>\$'000</b>         |
| At July 1st 2022   | 570,561               |
| Amounts recognized in other comprehensive income                 | (7,333)               |
| Amounts recognized in profit & loss                              | (11,358)              |
| <b>Amounts recognized in the Statement of Financial Position</b> | <b><u>551,870</u></b> |

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

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

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

**5. Cash and Short Term Deposits**

|  | <b>Quarter ended</b> | <b>Quarter ended</b> |
|--|----------------------|----------------------|
|  | <b>September 30</b>  | <b>September 30</b>  |
|  | <b>2022</b>          | <b>2021</b>          |
|  | <b>\$'000</b>        | <b>\$'000</b>        |
| Cash and bank balances                         | 2,221,632            | 2,567,856            |
| Short term deposits                            | 4,956,220            | 5,041,800            |
|  | <u>7,177,852</u>     | <u>7,609,656</u>     |
| Bank overdraft                                 | (130,018)            | (109,930)            |
| Balances with maturity dates over three months | (899,535)            | -                    |
|  | <u>6,148,299</u>     | <u>7,499,726</u>     |

**6. Share Capital**

An additional 6,250,000 ordinary stock units were listed on The Jamaica Stock Exchange on July 1, 2021, increasing the company's total issued ordinary stock units to 3,756,250,000. Of the 6,250,000 additional stock units, 2,106,525 were retained by the Group as Treasury stock units and 4,143,475 units were issued to employees who exercised stock options under the Company's Long-Term Incentive Plan.

**7. Subsequent Events**

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



# WISYNCO GROUP LIMITED



Corporate Head Office: Lakes Pen Road, Spanish Town, Saint Catherine, Jamaica, W.I.

Tel: (876) 665-9000

## 10 Largest Shareholders of Wisynco Group Limited as at September 30, 2022

| Name of Shareholder  | Units         | Percentage ownership |
|--|---------------|----------------------|
| Wisynco Group Caribbean Limited  | 2,776,183,736 | 73.9084%             |
| ATL Group Pension Fund Trustees Nom Ltd.                                 | 58,408,056    | 1.5550%              |
| GraceKennedy Pension Fund Custodian Ltd.                                 | 32,922,285    | 0.8765%              |
| SJIML A/C 3119   | 31,329,914    | 0.8341%              |
| Sagikor Select Fund Ltd. ('Class C' Shares) Manufacturing & Distribution | 30,964,303    | 0.8243%              |
| Guardian Life Limited  | 29,341,646    | 0.7811%              |
| National Insurance Fund  | 28,571,979    | 0.7607%              |
| Devon Reynolds   | 28,123,827    | 0.7487%              |
| Francois Chalifour   | 26,355,295    | 0.7016%              |
| Sagikor Pooled Equity Fund   | 25,913,562    | 0.6899%              |

## Shareholdings of Directors as at September 30, 2022

| Directors            | Direct     | Connected Parties | Total         |
|----------------------|------------|-------------------|---------------|
| *William Mahfood     | 1,596,431  | 2,781,183,324     | 2,782,779,755 |
| *Andrew Mahfood      | 727,763    | 2,780,739,959     | 2,781,467,722 |
| Francois Chalifour   | 26,355,295 | 4,476,223         | 30,831,518    |
| Devon Reynolds       | 28,123,827 | 0                 | 28,123,827    |
| 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 holdings in Wisynco Group Caribbean Limited, which owns 73.9084% of Wisynco Group Limited in addition to other connected party holdings.

## Shareholdings of Senior Executives as at September 30, 2022

| 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    | 2,595,333 | 0                 | 2,595,333 |
| Jacinth Bennett    | 1,369,249 | 0                 | 1,369,249 |
| Kisha-Ann Brown    | 0         | 0                 | 0         |
| Leilani Hunt       | 995,059   | 0                 | 995,059   |
| N. Craig Clare     | 878,318   | 0                 | 878,318   |
| Sean Scott         | 0         | 1,294,175         | 1,294,175 |
| Tabitha Athey      | 923,420   | 0                 | 923,420   |
| Vanessa Young      | 3,000     | 0                 | 3,000     |