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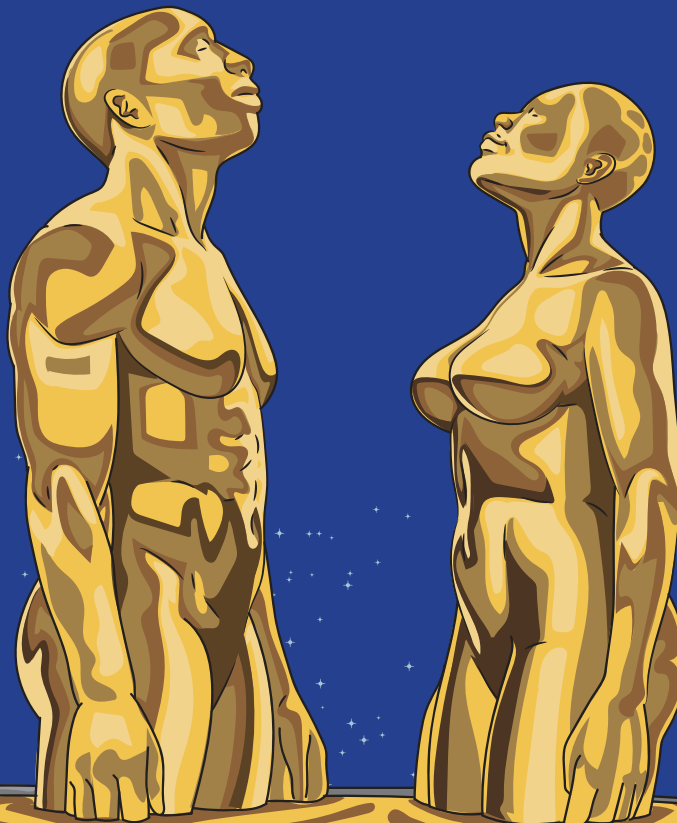
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CONTRIBUTION TO NATION BUILDING

Jamaica, a nation built on excellence, has undoubtedly left an indelible mark on the world. The ability to make such an impact comes as a direct result of the pride, resilience and dedication of its people. The moments of highs and lows are collectively celebrated and reflected, with the sole aim of improving as a nation. It is with this objective in mind that Wisynco, a proud Jamaican manufacturer and distributor, continues to pursue its goals of strengthening brand Jamaica and the future of our economy.

Since its establishment in 1965, it is with pride that Wisynco has contributed to the wealth and development of Jamaica through employment, foreign exchange earnings, and investment. With the Company's main business ventures being in manufacturing, distribution and exportation, Wisynco has been able to support Jamaica's water and beverage needs in addition to the distribution of a wide variety of high-quality grocery products. For Wisynco, its success in business contributes to success for Jamaica, as the Company has employed a sales and distribution force, including administrative support of approximately 1,800—one of the largest in Jamaica—while supporting the distribution of 142 brands to a customer base of over 12,000 supermarkets, food service outlets, retail and wholesale channels, and schools.

Wisynco has also been humbled and privileged to champion several social and philanthropic causes in the areas of education, health and wellness, poverty, homelessness, sport, and environmental preservation and protection. The Company's vested interest in the nation's well-being has helped build sturdy relationships with communities and consumers while helping those in need.

The Company is grateful for its achievements over the years. It is inexpressibly appreciative of the support of its partners and consumers in advancing its mission to improve the lives of our people. With the theme of Jamaica's 60th Independence Anniversary—'Reigniting a Nation for Greatness'—still reverberating, Wisynco reflects on its historical efforts towards nation-building and looks forward, expectantly, to future opportunities to foster national growth.

Rooted in Our History

Manufacturing is rooted in Jamaica's history, with the sector being the second-largest contributor to the economy. The celebration of Jamaica's Diamond Jubilee is the prime opportunity to salute the diverse manufacturing companies that have pioneered development of the nation and contributed to its economic growth. Marked by the international demand of traders and merchants keen to do business with Jamaica, the country's main exports and its growing supply of Jamaican-made products continue to set the bar high.

For over 57 years, Wisynco has proudly contributed to nation-building in these areas. It is pleased to reflect on the intentional and providential acts of its years in business that have benefited the Company and the nation by extension.

MANUFACTURING

From its 'Iron Man', 'Mr. Robin' and Gator shoes in the 1960s and 70s to its current brands—WATA, CranWATA, BIGGA and BOOM—Wisynco has experienced remarkable growth in manufacturing and production. Initially, along with a variety of footwear, Wisynco specialized in manufacturing styrofoam cups, egg cartons, plastic lining for refrigerators, and a wide range of disposables and packaging. The affordable and easily accessible items were well-received by households, farmers and business professionals. In the 1970s, the National Consumers' League commended the Company for introducing transparent plastic containers on the market for their see-through value to shoppers while farmers were appreciative of the Company's egg cartons—made from polystyrene foam—which helped reduce egg breakage and the likelihood of bacteria.

From then to now, Wisynco has remained steadfast in its vision to bring solutions to Jamaica through the manufacturing of its products. In fact, in 1996 the Company set up the Jamaica Drink Company—a carbonated soft drink manufacturing plant—that led to the creation of the iconic Jamaican soft drink, BIGGA. The bold, bubbly, colourful and effervescent beverage represents the pride, confidence and temperament of Jamaican people.

Progressing further, in 2002, Wisynco introduced its own brand of purified water and, in keeping with Jamaican patois and national pride, named it 'WATA'. Today, the brand, now a household name, remains

WISYNCO 25th ANNIVERSARY SUPPLEMENT, Wednesday, June 21, 1989 —PAGE

West Indies Synthetics expands tool and dye capabilities

WEST INDIES Synthetics Limited, a member of the WISYNCO Group of Companies, established some 25 years ago in the era of Jamaica's import substitution boom, continues to wage a quiet revolution as the company expands and refines its tool-making capabilities.

The company, which produces a wide range of synthetic products including sweet cups, plates, foam lunch boxes, shopping bags, garbage bags, trays for food packaging, drinking straws and water boots, has steadily built up its die- and mould-making operation to become self-sufficient in this area.

Integral to this growth has been a consistent programme of training and development which now comes under the expert guidance of Plant Engineer and Special Projects Officers, Mr. Magnus Johnson.

Mr. Johnson re-joined West Indies Synthetics five years ago when he returned to Jamaica from the Volgograd Polytechnic Institute of the Soviet Union, in 1984, with a Master's Degree in Mechanical Engineering.

According to Mr. Johnson, he was looking for a company which was prepared to experiment, to be innovative, and hold its own as a pioneer in the tool-making field, and WISYNCO was looking for a young tool maker who could be trusted.

"We were evenly yoked," Mr. Johnson explained. "I wanted to work with the technology of machine building, metal-cutting

tools and fixtures." During the past five years, he has systematically upgraded the Tool-Making Department at West Indies Synthetics, to the extent that the majority of the dies being utilized on the production lines are being made in-house, and there is no longer the need to import many of these.

In recent times, Mr. Johnson designed a "new-look" foam lunch box, having created the die, and established the production process on the product line. The machine now has the capability to produce some 100,000 foam lunch boxes per day.

Last year, just prior to Hurricane Gilbert, Mr. Johnson modified the machine which moulds the iron-man water boot, to make it more compatible with new technologies in the industry.

A graduate of Dintill Technical High School, Magnus Johnson migrated from St. Ann to Kingston in 1975, in search of "a productive skill which would be in great demand".

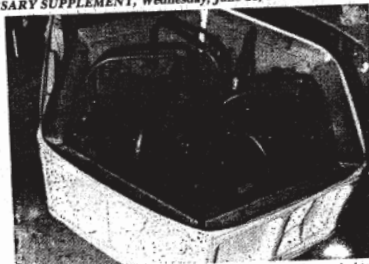
He went to work at West Indies Synthetics and was encouraged to pursue skill training at the Tool-Making Institute, of Bell Road, in Kingston, and for two years he studied the art of designing and making tools. Following his training at the Institute, he received a five-year scholarship to study tool-making in the Soviet Union, under the auspices of the International Trade Action Council (ITAC).

There is a lot of interaction between Mr. Johnson and the 20

employees in the Tool-Making Department at West Indies Synthetics, as he quietly imparts his skills to his co-workers.

Of the job, he says: "I find it very satisfying, because it continues to bring new challenges daily. I feel that I belong here, working alongside others and sharing my skills with the toolmakers, skills which the company has helped me to acquire."

The quiet revolution at West Indies Synthetics continues, as the company and its tool-making employees enjoy a new spirit of entrepreneurship which is providing a catalyst for the development of a new kind of worker.



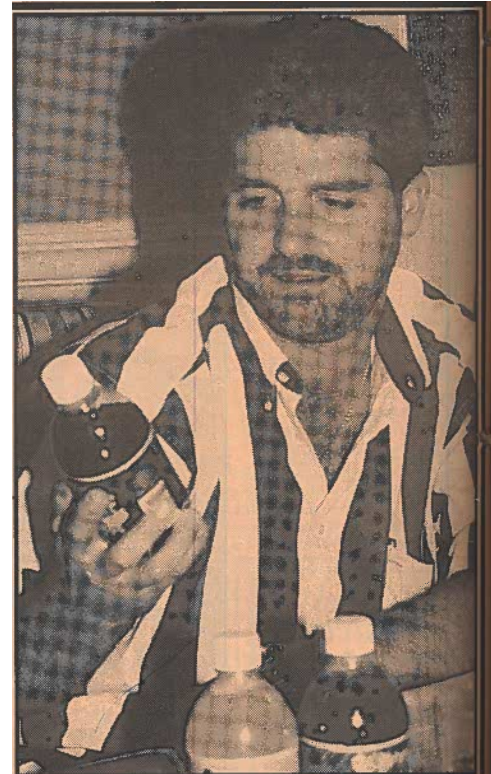
STYROFOAM LUNCH BOXES: Improved styrofoam lunch boxes, designed by Plant Engineer, Magnus Johnson, coming off the mould in the production line at West Indies Synthetics.



Magnus Johnson (left) and Derek Smith.

1989

1996



This one's for you: That was the mood from Wisynco Trading Managing Director William Mahfood to Jamaican consumers when he announced a major reduction in the price of Bigga soft drinks at a press conference last week. The soft drinks are among the cheapest on the local market and are being marketed by Wisynco at a recommended retail price of \$14.50 per bottle. Mr. Mahfood said that the Jamaica Drink Co., producers of Bigga, are now in full operations and enjoying production efficiencies which allow them to pass on benefits to the Jamaican consumers. ■

Locally-made rubber boots shipped to Surinam

A shipment of 1,600 pairs of locally manufactured vinyl rubber boots, left the island yesterday afternoon in the cargo vessel Atlantic Sun for Paramaribo in Surinam.

The shipment was made by West Indies Synthetics Ltd. of Spanish Town

Another shipment of 8,000 pairs will leave next week for Trinidad, Barbados, St Vincent, Dominica and a number of the other West Indian islands

The Atlantic Sun of the Atlantic Lines arrived in Kingston yesterday from Montego Bay en route from Miami. She loaded cargo at the Church Street wharf and left yesterday afternoon for Aruba

1969

robust, supplying not only the basic need of access to water but a level of quality, consistency, and compliance with international standards that Jamaicans have come to enjoy. It is only fitting that the introduction of CranWATA followed in 2008. The naturally fruit-flavoured brand has remained the premier flavoured water of choice in Jamaica. Wisynco was pleased to introduce Jamaica's first locally produced energy drink, BOOM, in 2010.

Combined, Wisynco's manufacturing and production of BIGGA, BOOM, WATA and CranWATA, has contributed to the employment of tens of thousands of Jamaicans directly and indirectly.



Jamaica's manufacturers write new success story...

W. I. Synthetics moves on

A COMPANY that was organized in 1965 with a capital investment of \$150,000 has blossomed into one of the island's most thriving industrial concerns employing at the moment a minimum of 110 workers.

The company's factory space at the start of manufacture was not more than 6,000 sq. ft., but today it occupies on the newly established Industrial Estate in the Old Capital, about 40,000 sq. ft. with an investment of about \$12 million.

This success story was written by the West Indies Synthetics Ltd. of which Mr. Saleem (Sam) Mahfood is managing director and his energetic brother Joseph Michael (Joe) is manufacturing genius.

Sometime in 1965 the manufacturing fever hit Jamaica and men with vision began to look around to find ways of entering the manufacturing field in an effort to save precious money that went on imports, and to provide work for skilled workers. The Mahfood brothers who were then engaged in Mahfood's Commercial Ltd. on Harbour Street and who were sole representatives in Jamaica of water boots, thought that 'this would' be a good line for them to manufacture. Joseph Mahfood went on a training mission to Ragbier in France... just outside Paris, and in 5 months he gained much of the experience he needed to embark on this valuable and important venture.

Water boots famous

West Indies Synthetics Ltd. was born... and from then the story began with success every inch of the way. Their product then was mainly the Iron Man Water Boots, which has gained widespread fame throughout Jamaica and the other CARIFTA Countries of the Caribbean. Their target then of 100,000 pairs yearly was reached.

It was in their "Water-Boots" period that West Indies Synthetics Limited gained their first fame. Their "Mr. Robin" shoes became a household name in Jamaica among the rich and poor alike, as many parents came to realize that their energetic youngsters could not easily destroy a pair. Totò, schoolboys and teenage footballers could find nothing more comfortable and adaptable to their many feats.

Always seeking new fields to conquer, these enterprising brothers began to investigate new products... the packaging industry came under their scrutiny and it was discovered that they could manufacture from their plant in Spanish Town a better line of many of the imported packages than on the market and at even more competitive prices.

See-through packages praised

It is not surprising that today, Jamaica's housewives, farmers and businessmen are singing the praises of the company's products. They have developed and manufactured packages that are just suitable to conditions in Jamaica. Their Egg Cartons are praised by the Egg Farmers for their resistance to breakages, their Ice Cream Cups are among the best obtainable in any part of the world, and their "see-through" meat and fruit trays have come in for tremendous applause from the National Consumers League.

Mrs. Vio Mendes who is President of this League said...

"The convenience of pre-packaged merchandises has come with it a terrific amount of deception.

"The visible top section of a package often displays the better parts of vegetables, fruits and meats, but underneath carries the shock and disappointment.

"The National Consumers' League congratulates The West Indies Synthetics Ltd. for putting on the market a fully transparent plastic container. The purchasing public will be able to "see-through" and discern whatever is pre-packaged. Consumers should now insist to have purchases packaged in transparent containers."

Egg cartons excellent

Speaking on behalf of the Egg Farmers are Messrs. Wyatt Bryce and Clinton McGann. Wyatt is Secretary of the Island's Agricultural Society and Clinton one of the most successful egg farmers in the Caribbean.

In a circular letter to members dated January 27 this year, Mr. Bryce said in part...

"We would like to introduce to those of you who market eggs, or plan entering the egg marketing business, a new kind of egg carton made from Polystyrene Foam.

"These new egg cartons are made right here in Jamaica and are highly recommended by egg producers throughout the island because...

- (1) Eggs packed in them suffer very little breakage in normal handling as against breakage which can run as high as 30% with other types of boxes.
- (2) Harmful build-up of bacteria is not generated as quickly when eggs are occasionally broken in polystyrene foam cartons because polystyrene foam is chemically inert and does not harbour bacteria.
- (3) Polystyrene foam cartons come in varying shades of blue, green, salmon, tan, chocolate, yellow.

(Continued on PAGE 15)



MR. JOSEPH M. MAHFOOD, general manager of West Indies Synthetics Limited is the brain behind the manufacturing section of this fast growing industry. A man of vision, Joe keeps thinking of new products that can be made of plastics for the use of his ever-growing customer-list, which includes the CARIFTA Market, Guadeloupe, Martinique, Surinam, Aruba, Canada and New Zealand.



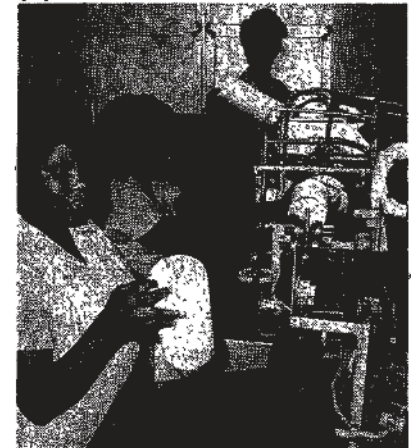
MANAGING DIRECTOR SALEEM (SAM) MAHFOOD is a talented executive who devotes his time to his work and welfare of the employees of his industrial world. The eldest of the brothers who are directors of the company, Sam has displayed enviable business acumen.



SOME OF THE STAFF at West Indies Synthetics Limited. Most skilled workers receive their training at West Indies Synthetics and are proving an asset to their employers.



MR. DAVID KERR, Plant Manager of West Indies Synthetics Limited has been with the company since its inception. He started as plant foreman and has dedicated himself to his task.

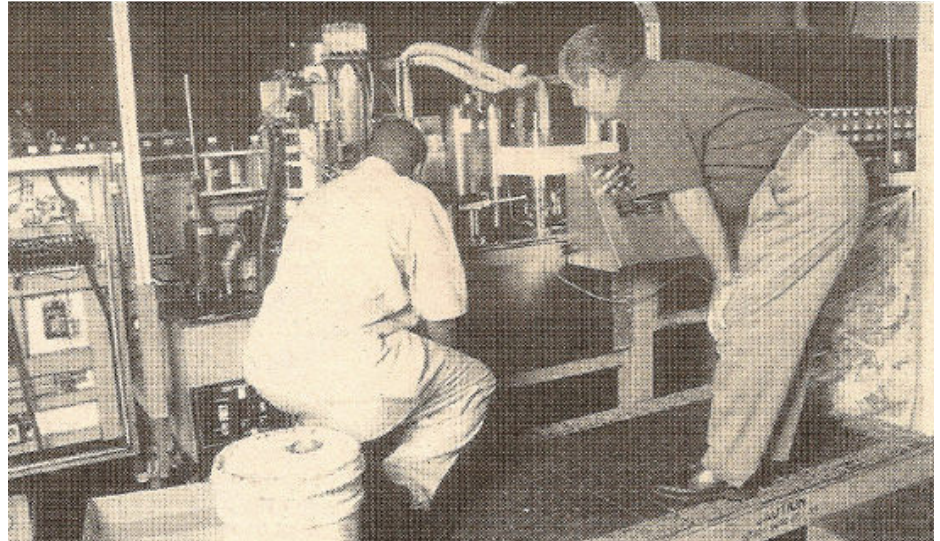


MAKING LIDS for the famous "sweet-cup", or ice cream containers. This machine produces countless lids each day and the girls who were trained at this factory, take pride in assuring that only the best goes to the market.

EXPORT

Through exportation, Wisynco has expanded its markets and supported economic growth in Jamaica in exponential ways. With an increase in production and storage capacity in recent years, the Company's export volumes have doubled in recent years and currently account for 3% of total revenue. With a vision for continued growth, Wisynco is working towards growing its exports by 50% annually and eventually reaching an optimum goal of 10% of the Company's total revenue within the next 5 years, targeting regions such as North America, the United Kingdom (UK), and the Caribbean with Bigga, Tru-Juice, Squeezz, WATA, BOOM and all manufactured beverages.

The Company has come a long way from its first export in 1965 with the Jamaican-made 'Iron Man' water boots that rapidly became a household



1996

name. With local success in sales, the Company began exporting across the West Indies as hundreds of thousands of pairs of the vinyl rubber boots remained in demand. More than the

financial success attained, Wisynco understood the relevance of the water boots and the 'Mr. Robin' plastic shoes as they presented a cost-efficient solution to less fortunate parents who found that the footwear wasn't easily destructible. This consideration for persons within lower-income families has remained a hallmark of Wisynco's operations. The Gator shoes, made up of men's and children's sneakers, dress shoes and casual shoes, soon followed as another favourite that helped supply the footwear needs of the region.

Today, continuing its support of nation-building in Jamaica, Wisynco primarily exports Bigga Soft Drinks, Tru-Juice, WATA, and CranWATA to 24 markets including North America, Europe, Central America and the Caribbean. It has also formed partnerships with international companies for the distribution of its locally-made beverages in European, UK and Caribbean markets, further cementing Jamaica's place in the international ring.

1969



THE FINAL SHIPMENT of goods to fill orders taken by members of the Jamaica Exporters' Association on their recent mission to Caribbean and Carifta countries, has left Jamaica for Guyana. The shipment, which left on the M/V Athenia comprised 576 cases containing 10,456 pairs of shoes and boots manufactured by

West Indies Synthetics Limited. This brought the total shipment for the month of October to 1,290 cases containing a total of 20,469 pairs. Loading operations at the Number One Berth, Newport West, were supervised by Mr. Robin Mahood (left), of West Indies Synthetics Limited, and Mr. David Lyons, President of the

Jamaica Exporter's Association, who was the leader of the mission. The total orders taken by West Indies Synthetics on the trade mission were for 40,550 pairs of Mister Robin Plastic shoes, 8,500 pairs of Iron Man water boots, and 5,500 pairs of Mister Robin Buckin' Branco children's cowboy boots.

Creating industry-leading partnerships



DISTRIBUTION

On the other hand, the Company has facilitated the local distribution of numerous international products previously out of reach to the average Jamaican.

By 1995, it became the distributor of Ocean Spray cranberry juices for 17 years. Then, in 1996, through Wisynco's partnership with the Pillsbury Company, Jamaica became the first CARICOM country in which the popular American ice cream brand, Häagen-Dazs, was distributed.

Wisynco continued its partnership efforts over the years by becoming the distributor of Coca-Cola products on a non-exclusive basis in 2006; the exclusive distributor of Red Bull in 2010 and the exclusive bottlers and distributors of the Coca-Cola Company for Jamaica products such as Coca-Cola, Sprite, Minute Maid and Schweppes in 2010.

2006

Wisynco Group Limited is appointed the exclusive Coca-Cola distribution partner in Jamaica.

2019

St. Mary's Tropical Snacks became an important part of our snack portfolio





1996

JA gets its just desserts

THE world-renowned brand of premium frozen desserts Haagen-Dazs, is now to be distributed in Jamaica by WISYNCO Trading Limited.

The upscale brand was officially launched to the distributive trade on Wednesday at the Blue Mountain Inn. WISYNCO Trading plans to have the product on the market early in the new year.

Supplied by the international giant, Pillsbury Company Haagen-Dazs products include ice cream, sorbets and novelties such as ice cream sandwiches. Jamaica is the first CARICOM country in which the product will be distributed, WISYNCO managing director William Mahfood stated. The line of desserts will initially be carried in supermarkets, hotels and restaurants, Mr Mahfood said. It will eventually be distributed through fast food outlets as well as pharmacies.

Wisynco has also copped the title as the leading Caribbean grocery importer of products from around the world and from major companies such as Kellogg's, Nestle and General Mills.

Through distribution, consumers across the island are equitably connected to the brands they love. Furthermore, supporting local companies, Wisynco also facilitates the distribution of locally-made products from Trade Winds Citrus Limited (TWCL) which produces Tru-Juice and other products; Worthy Park Estate Limited (WPEL) which produces the Worthy Park and Jamaica Gold Sugar, plus Rum-Bar and the Worthy Park Spirits portfolios, and Jamaica Producers St Mary which produces a range of tropical snacks.



2018 In September 2018, Wisynco acquired a 30% stake in Worthy Park Estates and added sugar and rum to its distribution portfolio.



2013 Tru Juice is the flagship brand of Wisynco's new strategic partner, Tradewinds Citrus Limited.



Recycling pays the WISYNCO way

ENVIRONMENT

Every person or business that exists or operates within a space should be mindful of the environment in which they operate. Aware of this responsibility, Wisynco has long been actively involved in research and development that leads to the protection and preservation of the environment.

As part of its environmental efforts, in 1997 Wisynco became the first local Company to receive a United Nations Development Programme (UNDP) payment of almost JMD 11 million to phase out Chlorofluorocarbons (CFCs). The decision by the UNDP to offer financial support came



Mr. Joe Mahfood (left), group managing director of West Indies Synthetics Company Limited (WISYNCO), helping workers involved in WISYNCO's PET Recycling Project put plastic bottles on the processor's conveyor belt. The shredded plastic is to be shipped to the United States for recycling. ■

2020 Waterhouse Community Clean up

1997



2018

Wisynco Eco club members are recruited in schools islandwide and help to spread the message of recycling.

following the Company's own initiative to successfully phase out the use of CFCs in its manufacturing of styrofoam in 1996. The initiative was a \$50 million investment on the Company's part that resulted in an annual reduction of approximately 81.6 tons of ozone-depleting substances.

Recycle For Life

During this period, Wisynco took its environmental efforts a step further by initiating its 'Recycle For Life' project aimed at recycling lightweight, shatter-resistant polyethylene terephthalate (PET) containers. These are containers used for soft drinks, juice, water, salad dressing, cooking oil, cough syrup and cleaning products. The Company received commendation from the then Government for its identification of over 300 organizations, schools and individuals interested in recycling PET containers. The containers could then be made into carpets, sweaters, T-shirts and even car parts. In 1997, Wisynco and those a part of the programme collected over 800,000 bottles, enough to support a 42,000 lb shipment of shredded plastic to the United States.

Environmental sustainability

Consecutive governments in Jamaica have underscored the importance of environmental sustainability for the benefit of future generations and the world at large. To promote such efforts in its operations, Wisynco commissioned a \$200 million one-megawatt solar plant in 2015 at its Lakes Pen headquarters in St Catherine. Furthermore, in 2019, the Company became the exclusive distributor for the Bio-nature line of food-grade biodegradable products following a partnership with Plastifar. The products, made of paper pulp, renewable raw material



and CO2-neutral, provide Jamaicans with eco-friendly food service products. That same year, the Company also partnered with Lasco, Pepsi and Seprod to launch a voluntary charge for the recovery of plastic (PET) bottles. All funding received from the initiative has gone to Recycling Partners of Jamaica (RPJ) a registered charity in Jamaica to

support their environmental causes.

In more recent years, Wisynco spearheaded initiatives such as a Recycle Challenge for corporate entities; Eco Clubs which support recycling campaigns at schools and staff volunteers called 'Eco Troopers' who are committed to the environment.

THE LIGHTER SIDE of **WATA**[®] NEW ECO-FRIENDLY BOTTLE



**50% LESS
PLASTIC***



**BOTTLE MADE
WITH LESS
PLASTIC.**

Collapsible bottle
makes it easier for
us to recycle.



*An average of 50% less plastic since initial bottle produced in 2002

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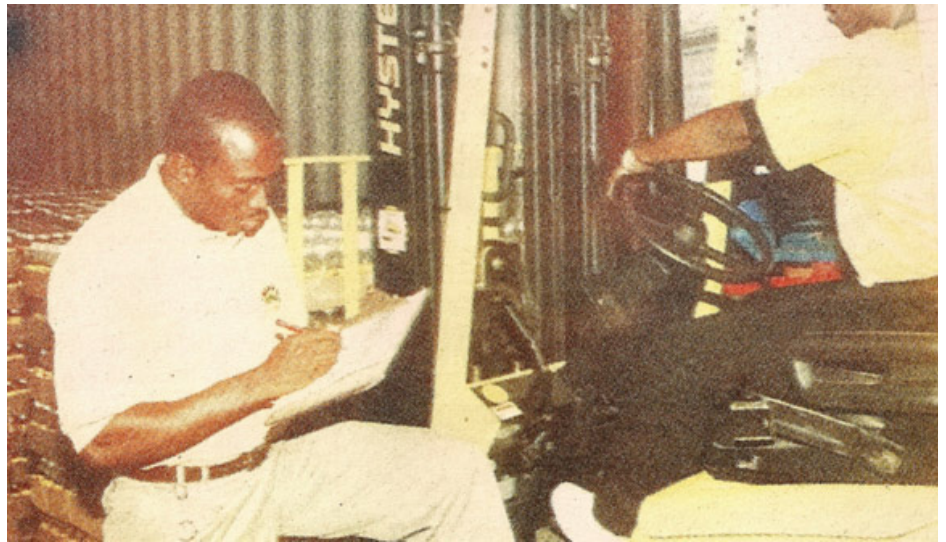
ACHIEVEMENTS, CULTURE & CONTRIBUTIONS

While Wisynco's successes over the years have served as motivation, they have also presented the Company with added opportunities for giving back. Nation-building would not be possible without the willingness of those with ample resources to share with those in need. For the Company, it is imperative that charitable actions are ingrained in its operations so that as the business grows so does the comfort, security, happiness and well-being of the nation's people.

ACHIEVEMENTS

Since the first leap of faith in 1964 with an investment of £150,000 to make the Company a reality, major achievements have paved the way for Wisynco to become one of Jamaica's most thriving industrial companies. By the late 1970s, only 12 years after starting out, Wisynco moved from its initial employment of 17 persons within a 6,000 square feet (sq. ft) plant space to over 150 employees within 100,000 sq. ft. One of its strategic decisions was the expansion of its then Twickenham Park infrastructure for the development of a new section dedicated to production. It was built with export markets in mind as the Company anticipated significant increases in demand for Jamaican-made products.

Meanwhile, through the consistent training and development of its employees, Wisynco was able to expand and refine its tool-making and dye capabilities in 1989. Foam lunch boxes and other products became more vibrant with new dye techniques and their water boots moulding machine was modified to be compatible with new technologies. It was Wisynco's encouragement of employees to think outside the box and apply their creativity that led to several innovative



1991 *Established its Fisheries Division*

changes that benefited consumers.

Another achievement under Wisynco's belt was its entry into the fishing industry following the establishment of its Fisheries Division in 1991 which saw the Company producing 1.2 million pounds of fish per year for approximately six years using a Russian trawler and divers from Jamaica and the Dominican Republic.

Meanwhile, several mergers allowed for diversification, value creation and growth such as that of West Indies Synthetics Limited, the Jamaica Drink Company and Wisynco Trading Limited

which formed Wisynco Group Limited in 2005. Then, in 2016, targeting increased production of brands such as BOOM and Coca-Cola, the Company injected a \$600 million investment into a new bottling line that would produce up to 525 bottles per minute.

During the 2023 fiscal year, Wisynco plans to inject billions into a slew of capital projects that will further advance its efforts to expand and increase production capacity to meet rising demands.

Preserving the things that make us unique



CULTURE

Jamaica's culture is arguably among the most vibrant and unique in the world. Its people, music, cuisine, dance, arts and craft, customs and beliefs all point to a rich heritage that has held firm throughout the test of time. Aware of its role in helping to preserve the things that make us unique, Wisynco has supported numerous events and initiatives that celebrate our cultural roots.

One of which is Reggae Sumfest, the world's largest reggae concert that primarily showcases Jamaican legends in music that have made their mark in the local and international arena. For

years, Wisynco has supported the event through sponsorship from several of its brands and brand partners. Meanwhile, Wisynco's BOOM energy drink was the title sponsor of the historical 2019 concert, 'Buju Banton's Long Walk to Freedom'. It was one of the country's largest music concerts in history which marked the reggae icon's return to the stage after an eight-year absence.

Wisynco has also plugged its resources into the Jazz and Blues festival and the Jamaican Food and Drink Festival, premium events that continue to attract hundreds of tourists to the island. Off-island, the Company has promoted its Jamaican-made products

ACHIEVEMENTS, CULTURE & CONTRIBUTIONS

at music concerts in New York and Florida; at the American Friends of Jamaica Annual Awards Dinner in New York City; at the Food for the Poor Walk/Run in Deerfield Beach, Florida; at the Nottingham Carnival in London and at trade shows in Canada and the UK.

The Company is proud of the ripple effect that has resulted from its support such as benefits to the tourism, hospitality and service industries and the overall expansion of brand Jamaica. It looks forward to its continual support of initiatives from the creative industry that help to keep the vibrancy of our culture alive.



Wisynco has been a pioneer in the support of community and national events like the Bigga Westmoreland Curry Festival.



SINCE 1982 *Supporting the efforts of The Food for the Poor*

CONTRIBUTIONS

When it comes to selflessly giving back, Wisynco has continuously set the pace for corporate society in Jamaica. Through Food For the Poor (FFP)—the largest international relief organization in the United States—the Company has impacted countless lives locally and throughout the Caribbean and central America since 1982. FFP was incorporated in 1982 by Ferdinand Mahfood with the support of his brothers Joseph, Robin and Saleem (Sam). Since then, FFP has branched out to countries throughout the Caribbean and Latin America in need of food, clean water, healthcare, secure housing, emergency relief, micro-enterprise projects and education opportunities.

In Jamaica, Wisynco has contributed its resources to the aforementioned causes with notable acts such as millions in donations to the construction of homes, the support of missionary outreaches, and contribution to the needs of various

ACHIEVEMENTS, CULTURE & CONTRIBUTIONS

schools. The Company has also donated hundreds of thousands of bottles of WATA, CranWATA and BIGGA to communities and organizations in need and various groups of society during natural disasters and the COVID-19 pandemic. To further support national well-being, the Company supported Jamaica's health systems during the COVID-19 pandemic with PET bottles to make thousands of medical spacers and has provided financial assistance to the Kingston and St Andrew Municipal Corporation and several other health institutions.

Meanwhile, doing its part to ensure that Jamaica's children have access to quality education and educational tools, Wisynco has partnered with several educational institutions over the years. Notable was its partnership with the Edufocal learning platform to equip students with laptops and to support free access for some 16,000 students.



Wisynco has also been a long-time supporter of TVJ's number one educational programme, the Schools Challenge Quiz and has awarded millions in scholarships and educational grants.

Sports

In the area of sports, Wisynco has supported thousands of amateur and professional participatory sporting events and organizations. Some of these include the Premier League Clubs Association (PLCA), administrators of the Red Stripe Premier League; the Caribbean Club Championship (CFU); the CONCACAF Under-20 Women's Championships; the Reggae Boyz' 2022 FIFA World Cup Journey to Qatar; the Jamaica Cricket Association's Super League; the Jamaica Swimming Association; Netball Jamaica; Jamaica's participation in the CARIFTA Games; the Inter-secondary Schools Sports Association (ISSA) and Manning and DaCosta Cup football.

Chief Executive Officer, Andrew Mahfood, accepting the Governor General's Award for manufacturer of the year on October 5, 2019.



Seen here, Mrs. Majorie Newland of the Jamaica Bureau of Standards (photo right) going over the contract for the Jamaica Bureau of Standards Plant Certification Mark awarded to West Indies Synthetics with Mr David Kerr, Production Director of West Indies Synthetics Limited. Looking on is Mrs Lovina Henry, Manager of the Quality Control Department for West Indies Synthetics

WISYNCO awarded JBS plant certification mark

The Jamaica Bureau of Standards has awarded their Plants Certification Mark to West Indies Synthetics Ltd. Certification by the JBS means that the quality system of

- the plant complies with the requirements as set out by the JBS.
- The WISYNCO Group of Companies congratulates our plastics firm West Indies Synthetics on this achievement

1987

AWARDS

Wisynco's dedication to excellent service and the development of the manufacturing, exportation and distribution sectors has not gone unnoticed. The Company has received awards from as way back as its Plant Certification Mark from the Jamaica Bureau of Standards (JBS) in 1987 to more recent awards like the Governor General's Trophy for Manufacturer of the Year at the Jamaica Manufacturers and Exporters Association's (JMEA) annual awards in 2011-2013, 2015 and 2019. The Company was also awarded the Charles Henderson-Davis award for Breakthrough Product of the Year with its CranWATA in 2013.

Altogether, Wisynco's solid financial performance and advancements over the years are owed to its visionary leadership, the unwavering commitment of its team, its valuable partnerships and the support of consumers worldwide. Its success has been a collective effort that is doubly rewarding because of its overarching benefit to Jamaica. Wisynco is proud of its wins that have resulted in wins for the nation and its locally-made products that help to promote brand Jamaica. Looking towards the future, the Company is eager to continue its support of nation-building in all the ways it can, through vision, determination and hard work.

ABOUT THE COMPANY

Wisynco Group Limited is a proud Jamaican manufacturer and distributor. The Company was established in 1965, just three (3) years after Jamaica declared its independence 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, Grape WATA and BOOM Energy Drink. In addition to their owned brands, Wisynco is the exclusive bottler and distributor for the popular brand portfolios Coca-Cola, Sprite, Minute Maid, and Squeezz beverages. The Company boasts an enviable portfolio of imported brands such as Red Bull, Nestle Ice Cream, Kelloggs, Pringles, Häagen Dazs, Welch's, Chobani, and Colgate-Palmolive, as well as partnering through alliances with local manufacturers Trade Winds Citrus

Limited, Worthy Park Estate and JP Snacks to manage the exclusive distribution of Tru Juice, Rum bar, Worthy Park Select and St Mary's.

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'. 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 Jamai-





can 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 approximately 140 brands and has a direct customer base of over 12,000 customers. This is made up primarily of supermarkets, retail and wholesale channels, schools, hotels, 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.

With one of the largest sales forces in Jamaica, comprising of approximately 750 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.

The Company operates from a modern centralized 360,000 square foot warehouse space in St. Catherine and a 26,400 square foot warehouse facility at Hague, Trelawny. They also command a fleet of over 90 owned and over 400 contracted trucks that deliver product 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.

In May 2022, the Company formally opened its first satellite distribution centre in Hague Trelawny. The 26,400 square foot facility is equipped with 600 pallet spaces and is intended to extend and improve our distribution footprint in Western Jamaica with an emphasis on access and reach to high frequency trade outlets. Designed for future expansion, the new warehouse matches Wisynco's thrust to improve distribution time lines and service levels across the island.





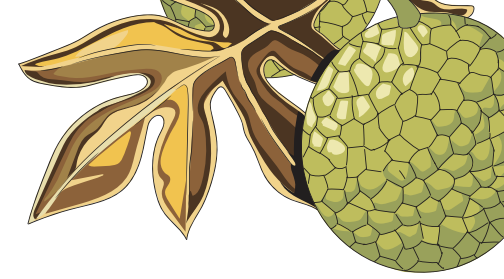
The average Jamaican consumes a Wisynco product at least once every day.

Continuous product research and user testing facilitate the Wisynco connection to consumer needs and trends.

Coupled with an adventurous spirit and a keen understanding of how Jamaican culture influences consumption, the Company is bold in its drive to innovate.

Typically, one or more new brand or major product line extension is launched each year with predictable expansion in customer loyalty and brand presence.

Our extensive portfolio of imported brands also ensures that we maintain multiple points of entry into Jamaican households.



NOTICE OF THE ANNUAL GENERAL MEETING

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.

Please continue to check our website, social media pages and the local newspaper(s) for updates and/or changes leading up to our AGM.

NOTICE IS HEREBY GIVEN that the FIFTH ANNUAL GENERAL MEETING of Wisynco Group Limited (the Company) will be held on Thursday, February 16th, 2023 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, 2022 and the Reports of the Auditors and Directors thereon.

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

RESOLUTION I

"THAT the Audited Financial Statements for the year ended June 30, 2022 and the Reports of the Auditors and Directors thereon, be and are hereby adopted."

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

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

RESOLUTION 2

"THAT PricewaterhouseCoopers, 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 Directors:

The Directors retiring by rotation in accordance with section 114 of the Company's Articles of Incorporation, are Mr. William Mahfood, Mr. Andrew Mahfood and Mr. François Chalifour, who, being eligible, offer themselves for re-election:

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

RESOLUTION 3(A)

"THAT the Directors retiring by rotation be re-elected by a single resolution."

RESOLUTION 3 (B)

"THAT the retiring Directors, Mr. William Mahfood, Mr. Andrew Mahfood and Mr. François Chalifour, be and are hereby re-elected Directors of the Company."

4. To approve the remuneration of the Directors.

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

RESOLUTION 4

"THAT the amount shown in the Audited Accounts of the Company for the year ended June 30, 2022 as fees of the Directors for their services as Directors, be and is hereby approved.

5. To approve the interim dividends as final for the year under review:

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

RESOLUTION 5

"THAT the dividends of 20 cents per share paid on March 1st 2022, and August 4th 2022 respectively, be and are hereby declared final in respect of the financial year ended 30 June 2022."

Dated the 25th day of November 2022,
by Order of the Board

Andrew Fowles
Company Secretary

Registered Office:
Lakes Pen Road, St Catherine



ADVISORY



ADVISORY

WARNING: Falling objects or equipment can cause injury or death. Please use proper safety procedures.

CHAIRMAN AND CEO'S REPORT

Embracing Change

Much like our beloved Jamaica which was full of self-belief 60 years ago and determined to chart her own destiny, Wisynco has proven during our 57 years of operation that growth comes through a willingness to embrace change and the passion to continue reaching for more. This year we count ourselves doubly blessed to lead a phenomenal team and celebrate our nation in its golden jubilee.

We started the 2022 financial year under the cloud of COVID-19 which continued to have unpredictable impacts on the local and global economy. However, we are proud to note that, notwithstanding the challenging operating environment, our team members were engaged, our strategy proved to be sound, and we continued to invest in the business for long-term sustainable growth.

Most importantly we held fast to the Wisynco Way. These enduring values of compassion, humility, integrity, respect, and passion (C.H.I.R.P.) have continually guided our business and our people toward success and are a source of competitive advantage. It is through these values, our people, and steady leadership, that we delivered one of our best performances yet and laid the groundwork for a trajectory of growth for years to come.

On behalf of the entire Board, we would like to thank our team for their hard work and commitment, particularly our frontline teams in sales, production, and operations, who never wavered throughout COVID-19. We are also deeply grateful to our exceptional Executive team whose dedication and impeccable business acumen has driven our operations forward, enabling us to delight our loyal consumers, and continue to deliver top-tier total shareholder returns.

RECORD PERFORMANCE

At Wisynco we pride ourselves on stellar customer service. As we emerged from the pandemic, we wanted to restore that level of service to schools, restaurants, and to the hotel industry. We therefore took a multi-pronged approach in implementing a strategy for the business that centered around boosting sales while maintaining tight controls on expenditure.

We focused on growing market share and skilfully managed the global supply chain issues affecting businesses and consumers while improving our execution and the positioning of our brands. We also ramped up production to satisfy strong consumer demand across the board in all our products and categories, particularly in the 3rd quarter.

Many of our brands are household names and we sought to keep shelves stocked with Bigga, WATA, CranWATA, Coca-Cola, and products in our snacks and ice-cream categories. Our new distribution centre in Trelawny opened up and improved the availability of our products in the North West of the island.

The numbers tell the story. In financial year ended 2022, Wisynco delivered a bumper year on the back of an incredible uplift in demand, growing revenue by 22.7% to \$39 billion up from \$31.8 billion in the prior year. Our Gross Profit for the year

CHAIRMAN AND CEO'S REPORT

was \$13.3 billion which was \$2.1 billion or 19.1% greater than the prior year and Net Profit jumped by 32% to \$4.05 billion.

Exports remain a pillar of growth and we are beyond excited to report that, in the year under review, we surpassed J\$1bn which represents a 71% increase over the prior year. We saw phenomenal growth in some of our key markets and there is still vast untapped potential in the main markets of the United States, United Kingdom and other parts of Europe.

INVESTING AHEAD

We are now an even stronger business with a solid foundation for the future and we are investing ahead for growth. To capture burgeoning opportunities in both local and export markets Wisynco is embarking on the highest capital investment in our history with J\$5bn going towards new equipment, buildings, ERP systems, and plant operations in the new financial year. Some funds are earmarked for an entirely new business, but we are also hungry for acquisitions and always seeking opportunities that have syn-



ergy with our business and meet our commitment to provide great quality at competitive prices.

The most important investment that we can make is in our people and we are delighted that we are focusing heavily on our employees and building team engagement. It is no secret that the social isolation brought by the pandemic took a mental toll on many people, and we are concentrating on employee motivation with health and well-being as top priorities. We know that an engaged workforce delivers greater innovation and better performance, and we aim to create an environment where people love coming to work.

To complement the wellness initiatives, we revitalized a programme called TRAC to provide further learning to employees in the areas of English and Mathematics. This demonstrates belief in our talent as it empowers employees and gives them access to greater self-esteem and expanded opportunities for growth and develop-

ment within the organization.

IGNITING OUR FUTURE

Jamaica has risen above the pandemic to stand tall as we mark 60 years of independence. In celebrating our 57th year of existence, we at Wisynco strive to emulate Jamaica's example of having phenomenal reach on the global stage. As proud Jamaicans, we are encouraged by the recovery in all sectors of the economy, and we are committed to giving back to our country and people.

Looking ahead to the 2023 financial year, we will pursue the consistent delivery of our strategy, invest sustainably in prime opportunities to maximise shareholder value, and develop the talent of our people. In closing, we thank our dedicated Wisynco team, our Board of directors, and our Executive team for their inspiring leadership. Finally, our deepest gratitude goes to you our loyal customers and our shareholders who continue to believe in us. We are igniting our future!



CORPORATE DATA

EXECUTIVE DIRECTORS

Chairman:

William Mahfood

CEO: Andrew Mahfood

Director of Marketing & Development:

François P. Chalifour

Director of Manufacturing:

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



MESSAGE FROM THE BOARD OF DIRECTORS

During the 2022 financial year, Jamaica continued to face a plethora of challenges including the ongoing COVID-19 pandemic, inflationary pressures driven by global supply chain issues, and conflict in Ukraine that impacted international financial markets and created logistical challenges. The Wisynco Board of Directors is delighted that the business effectively responded with remarkable agility to deliver a strong set of financial results and secure a solid base for further growth.

We Applaud

We applaud the Executive team, senior leadership, management, and staff for their unwavering commitment and dedication. These results are because of your efforts.

Although the unstable environment of the last two years tested our mettle, we are proud of our ability to work together as a united Board, demonstrating our ability to provide expert guidance and maintain a steady hand in steering Wisynco to become stronger and more resilient. We are privileged to support the growth of this iconic Jamaican company blessed with exceptionally talented people.

With four independent and four executive members at the table, we effectively guided the Company in exploring areas of opportunity, ensuring fiscal prudence, and providing leadership to support profitable operations. We believe that our success as a Board is linked to harnessing the strength of our diversity and being inclusive. All voices at the table matter and we have a highly engaged team that strives to bring the best ideas forward.

An essential component of our Board governance requires us to have succession plans to guarantee the

continuity of strong leadership. We, therefore, expend considerable care in finding the best leaders with the right values to take the Company forward. During 2022, we were delighted to appoint Sean Scott as Deputy CEO.

We also appointed a new Head of HR and created a more robust HR team. Machines matter but we know that people matter more. Wisynco's success hinges upon a winning talent strategy, particularly in a competitive labour market with significant talent movement across industries.

Retaining talent is linked to engagement and the Board pays close attention to the results of Staff Satisfaction Surveys. Having access to non-executive staff views is invaluable and we fully endorse this exercise. Equally important is setting expectations and showing progress as we act upon the feedback provided.

We Celebrate

As we celebrate Jamaica's 60th year of independence, Wisynco is immensely proud to be part of the fabric of Jamaican society in so many areas including manufacturing and distribution, brands, agro-processing, community efforts, and contribution to safeguarding the environment. The last 57 years of Wisynco's history have been simply phenomenal and we look forward to growing alongside Jamaica, taking the best of our country to the world, and pouring back into the nation and our people.

In closing, we extend our sincere appreciation to all our shareholders, customers, suppliers, business partners, financial institutions, public and private agencies who serve our needs, and all groups of stakeholders for your trust and continued support. We look forward to another exciting year of creating value.

THE BOARD OF DIRECTORS

William Mahfood

Chairman

William Mahfood 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, Trade Winds Citrus Limited and JN Group Limited.

Andrew Mahfood

Chief Executive Officer

Andrew Mahfood 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, United Estates Limited and Seville Development Corp.



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, 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 Hugh Reynolds 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 the Wisynco Group, 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. She 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.



THE BOARD OF DIRECTORS

John Lee

Non-Executive Director

John Lee 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 Deputy Chairman and Chief Executive Officer 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 recently expanded region-wide operations.

In 2016, Adam received the Order of Distinction (Commander Class) for outstanding contribution to tourism and the hotel industry. He has been chosen to lead the Tourism Linkages Committee in the capacity of Chairman and currently holds the post of First Vice-President for the Jamaica Hotel and Tourist Association.



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.



Although the unstable environment of the last two years tested our mettle, we are proud of our ability to work together as a united Board, demonstrating our ability to provide expert guidance and maintain a steady hand in steering Wisynco to become stronger and more resilient. We are privileged to support the growth of this iconic Jamaican company blessed with exceptionally talented people.

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 Athey 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 Ramdon 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

JJacinth 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 Boards of Convenient Brands Limited and the Greendale Early Childhood Development Centre.



Kisha-Ann Brown

Group Head of Human Resources

Kisha-Ann’s career spans over twenty-four (24) years in the FMCG sector. As a graduate of the University of

West Indies, Kisha-Ann is a well-rounded business leader with over 15 years’ experience in Learning and Development, Talent Management, Project and Change Management. She has honed these skills through challenging roles across several disciplines, leading multiple complex projects in multinational business environments and completing international assignments in countries such as Kenya, Nigeria and Uganda.

Her early years were spent building her skills in Manufacturing and Supply Chain where she held roles in Production, Quality Assurance, Process Improvement, and Training and Development before making her mark as an HR generalist. Her career has taken her to both Diageo and Heineken where she held multiple successive roles in Operations and HR. More recently she has worked as HR Business Partner for Campari and Head of HR for Carreras Limited.



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 in May, 2021 in the position of In-House Counsel and Assistant Corporate Secretary reporting to the CEO, Andrew Mahfood.

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.



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 and Compensation & Corporate Governance Committees, 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, five (5) 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 2022. 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.

COMPOSITION OF THE BOARD

At June 30, 2022 the Board comprised eight (8) Directors, of which four (4) are Executive Directors (including the Chairman and CEO) and four (4) are Non-Executive, Independent Directors.

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

- not be a recent employee of the Company (within the preceding three (3) years);
- not be a close family member of any non-independent Director or senior executive of the Company;
- not have directly or indirectly had a material commercial or business relationship with the Company within the preceding three (3) years; or
- 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 members are as follows and their attendance Board Meetings was as follows:

Board meeting Attendance

William Mahfood, Executive Chairman	5/5
Andrew Mahfood, CEO	5/5
John Lee, Independent & Non-executive Director	5/5
Lisa Soares Lewis, Independent & Non-executive Director	5/5
Adam Stewart, Independent & Non-executive Director	4/5
Odetta Rockhead-Kerr, Independent & Non-executive Director	5/5
Francois Chalifour, Executive Director	5/5
Devon Reynolds, Executive Director	5/5

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

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.

The Audit & Risk Committee Report

John Lee

Chairman of the Audit & Risk Committee



The Audit & Risk Committee (the “Committee”) is established for the primary purpose of assisting the Board of Directors (the “Board”) in the oversight of Wisynco Group Limited as it relates to the following:

- Financial reporting and internal controls;
- internal and external audit functions, including ensuring the external auditors are qualified and independent;
- compliance with legal and regulatory requirements;
- enterprise-wide risk management practices.

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 adequacy of the Company’s internal controls, related party transactions, 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 review-

ing the services the external auditor is to provide to the Company, as well as monitoring their independence, objectivity, effectiveness, and fees.

- iii. Internal Audit: reviewing and approving the Company’s annual Internal Audit plan, assessing the effectiveness of the Internal Audit department, monitoring recommendations for improvements and implementation thereof, and guiding the resolution of any matters raised in relation to internal audit.
- iv. Risk Management: assessing the Company’s enterprise-wide risk exposure, overseeing the risk management strategy to assess and mitigate risk, and monitoring that risks are mitigated to an acceptable level through internal controls or other strategies.
- v. Protected Disclosures, whistleblowing and fraud: reviewing the Company’s procedures for detecting fraud as well as Company procedures by which employees and contractors may, in confidence, raise concerns about improprieties in matters of financial reporting or other matters. The Committee ensures that these procedures allow proportionate, independent and when necessary, confidential investigation of such matters and appropriate follow-up action.

The Chairman was appointed by the Board to guide the Audit & Risk Committee based on his extensive experience and knowledge of Finance, Accounting, Audit and Risk matters.

The Audit & Risk Committee is comprised of three (3) independent, non-executive directors and two executive members of the Board, being the CEO and Chairman, bringing the

Committee's total membership to five (5) Directors.

The Committee meets at least four (4) times per year to coincide with key events or dates in the Company's financial reporting calendar, and also meets to review and make recommendations to the Board regarding appropriateness of internal policies and adequacy of internal audit plans and risk management systems.

The Committee agrees on an annual schedule of meetings and the principal items to be discussed at these meetings. Committee members and their attendance at Committee Meetings was as follows:

Attendance Report

John Lee, Chairman, Independent non-executive director	6/6
William Mahfood, Member, Executive director	6/6
Andrew Mahfood, Member, Executive director	6/6
Lisa Soares Lewis Member, Independent non-executive director	6/6
Odetta Rockhead-Kerr Member, Independent non-executive director	6/6

For the financial year ended 2022, the Committee conducted its annual review and approval of the Company's enterprise-wide risk profile and internal audit plan.

In addition, the following policies were reviewed by the Committee in the FY22 financial year:-

- ✓ Audit & Risk Committee Charter
- ✓ Fraud Reporting Policy (internal policy)
- ✓ Protected Disclosures/Whistleblower Policy
- ✓ Enterprise Risk Management Policy (internal policy)
- ✓ Delegation of Authority Policy (internal policy)

The following policies are available to the public:

- ✓ Audit & Risk Committee Charter
- ✓ Protected Disclosures/Whistleblower Policy

Compensation & Corporate Governance Committee Report

Lisa Soares Lewis

Chairman of the Compensation and Corporate Governance Committee



The Compensation and Corporate Governance Committee is established for the primary purpose of providing oversight of the Board of Directors' ("the Board") governance role as it relates to the following:-

- reviewing corporate strategies;
 - shaping the Company's culture;
 - promulgating the Company's vision, values and core beliefs;
- and ensuring that: -
- Board composition, structure, policies and processes meet all relevant legal and regulatory requirements; and
 - the Company operates at a high standard of corporate governance, ethical behavior and corporate social responsibility.

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

- i. Reviewing & approving Compensation of Non-Executive Directors;
- ii. Annually reviewing the remuneration policies for Chairman, CEO and Executive Members, including material benefits;
- iii. Reviewing of the organization structure and succession plan;
- iv. Conducting annual evaluations for the CEO, Board and

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CORPORATE GOVERNANCE

- all Board sub-committees and reviewing the Board composition to maintain an efficient balance of skills, attendance, and capabilities;
- v. Overseeing continuous Board education and training which includes relevant changes to regulations, laws or other guidance that pertain to the business of the Company;
 - vi. Identifying and making recommendations to the Board regarding Board membership, appointment and composition;
 - vii. reviewing and developing the Company's corporate governance code, sub-committee charters, internal policies and governance guidance on an ongoing basis;
 - viii. ensuring that the Company is following best practices at both an industry and a commercial level, in the context of environmental, social and governance framework;
 - ix. Reviewing of the systems and processes, by which the operations of the Company are directed; and
 - x. Reviewing the policies, practices and decisions of the Company, and their effects on its stakeholders.

The Chairman is appointed by the Board to guide the Compensation & Corporate Governance Committee based on her extensive experience and knowledge of Corporate Governance and matters regarding corporate remuneration policies and strategies.

The Compensation & Corporate Governance Committee is comprised of three (3) independent, non-executive directors who form the majority of the Compensation and Corporate Governance Committee, and two (2) executive members of the Board being the CEO and Chairman, bringing the Committee's total membership to five (5) Directors.

The Committee meets at least two times (2) per year to coincide with key events including remuneration review cycles but also meetings to facilitate Board evaluation exercising or training sessions conducted for the benefit of the Company's Board and/or executive management team.

The Committee agrees on an annual schedule of meetings and the principal items to be discussed at these

meetings. Committee members and their attendance at the Committee Meetings was as follows:

Attendance Report

Lisa Soares Lewis, Chairman, Independent non-executive director	3/3
William Mahfood, Member, Executive director	3/3
Andrew Mahfood, Member, Executive director	3/3
John Lee, Member, Non-executive director	3/3
Odetta Rockhead-Kerr Member, Independent Non-executive director	3/3

For the financial year ended 2022, the Committee implemented or conducted its annual review and recommended approval to the Board of the following policies: -

- i. Corporate Social Responsibility Policy/Corporate Sustainability Policy;
- ii. Dividend Policy;
- iii. Environmental Policy;
- iv. Information Disclosure Policy
- v. Contracts Policy;
- vi. Code of Ethics;
- vii. Drug & Alcohol Policy;
- viii. Succession Management Policy;
- ix. Total Rewards Policy.

The following policies are available to the public:

- ✓ Compensation & Corporate Governance Committee Charter
- ✓ Code of Ethics
- ✓ Corporate Social Responsibility
- ✓ Corporate Governance Policy
- ✓ Dividend Policy
- ✓ Securities Trading Policy

Please visit www.wisynco.com and click on the Investor Relations tab.

Top 10 Shareholders

Wisynco Group Limited as at June 30 2022

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

Shareholdings of Directors

as at June 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 H. 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 June 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
Tabitha Athey	923,420	0	923,420
N. Craig Clare	878,318	0	878,318
Leilani Hunt	995,059	0	995,059
Vanessa Young	3,000	0	3,000



MD
& A



The Quest for More

As Jamaica commemorates its diamond jubilee in 2022, Wisynco celebrates 57 years of existence. We have had solid leadership throughout almost six decades and have grown in tandem with the country to a very strong position. It is a testament to our relentless quest for more that, as a company, we have never set a limit on our growth. Neither do we measure ourselves by the competition. Instead, we are fuelled by remarkable passion to keep on winning through our entrepreneurial spirit, a deep forte in manufacturing and the enduring values enshrined in the Wisynco Way.

Ongoing volatility that prevailed at home and abroad, Wisynco Group Limited rose above the challenges to grow the business and deliver one of our best performances on record with increased revenue, higher gross profit, and soaring exports.

We share these outstanding results with immense pride and gratitude to our dedicated employees who worked tirelessly throughout the year to satisfy our customers. We also thank our executive management team and our board of directors who continued to navigate the way forward with expert strategic guidance while continuously setting the bar higher.



People First

In recognizing that business success is reliant on a people-first approach, our primary objective in 2022 was to focus on the engagement of our team, ensuring their well-being in mind, body and spirit while providing opportunities for educational development. Previously implemented measures such as remote working and COVID-19 mandatory safety protocols remained in place as we sought to ensure the health and safety of employees and customers while Jamaica gradually eased restrictions.

We partnered with senior leadership to inspire our teams and shore up their capability to meet the ongoing demands of the business in a sustainable way. We introduced several initiatives, including a J\$8m fund specifically for employees to pay university, high and primary school-related fees for their children/dependents.. This is in tandem with Wisynco's education fund for the public, sponsored through our special Jamaica 60 commemorative label on WATA. Additionally, we invested in improved canteen facilities with enhanced meal options, a new gym, a health expo, and sporting activities including football.

With the return to normalcy, we will continue to invest in our Wisynco family through education and growth opportunities, competitive remuneration and benefits, and by continuing our culture of staging engaging events to celebrate our employees and revel in the joyful spirit that makes Wisynco a great place to work.

Agile and Responsive

Despite ongoing lockdowns, Wisynco burst from the blocks with a flying start in the first quarter thanks to a noticeable uptick in demand driven by a rebound in economic activities. The relaxation of travel and reopening of the tourism sector, coupled with the resumption of restaurant dining and face-to-face classes contributed to increased movement throughout the society and fuelled growth in consumption.

Wisynco experienced revenue growth of 14% in Q1

and 19% in Q2. With further opening of the economy, this phenomenal trajectory of demand carried through into Q4 where we grew 30% over the previous year. This growth was across the board in every category, especially in core brands including WATA, BIGGA, and Cran WATA. There was also great demand for the Tru-juice range of juices, chips, including Pringles, and all our ice creams.

Our top priority was restoring service levels to keep pace with market growth while exercising fiscal prudence. With this primary objective, we harnessed the collective strength of our team across the business to fulfill several strategic priorities:

Ramp up production:

To maintain a steady supply of WATA, one of our fastest-growing categories, we restarted an old production line at White Marl and almost doubled volume from the previous year.



Leverage new facility:

Opening a 26,000 square feet distribution facility in Trelawny gave us a wider footprint across the western end of the island which in return boosted the availability of our products and improved our customer service levels. This strategic move also increased demand and supply for our products, making an important contribution to revenue growth.



Improve in-market execution:

With the goal of getting our products into consumers' hands, we invested heavily in trucks and operational equipment and purchased 2,000 beverage coolers to improve in-market execution excellence. This extended our reach and worked in harmony with higher production levels.



Agile supply chain:

We navigated the global supply chain issues that plagued the consumer products industry and took strategic pricing action to offset rising costs while remaining competitive. We managed our procurement schedule, increased inventory, and doubled shipments where necessary. Congestion of containers later became an issue, leading to some key raw materials being delayed. The most difficult challenge was securing Co2 which required specialized containers. Ultimately, we found ways to mitigate against this and formed strategic partnerships to ensure continuity of supply.



Reduce energy costs:

Our energy strategy and production efficiencies are key drivers of gross profit and helped to minimise the likelihood of consumers having to face significant price increases. With two-megawatt (MW) liquefied natural gas (LNG) power-generating plants and high operating efficiency, we were able to drive our profit margin.



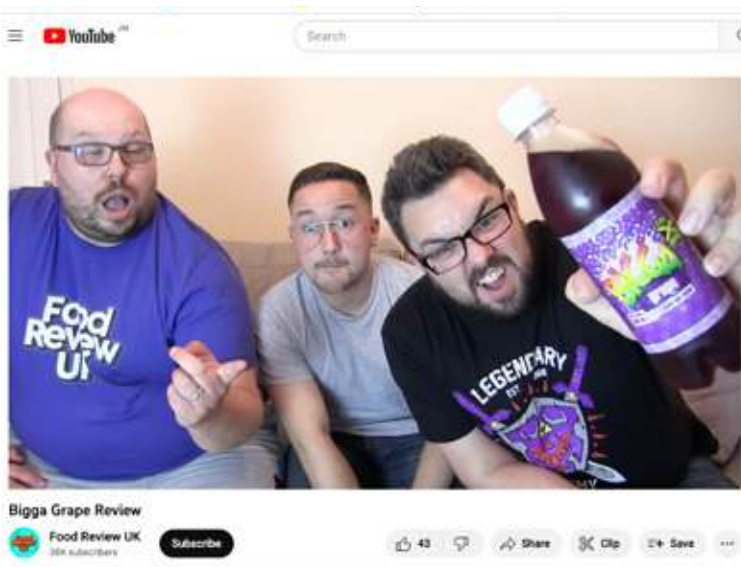
Invest in Innovation:

In responding to consumers' evolving tastes and market trends, we launched Grape WATA, and Tru-Almond which both contributed towards revenue. Previously launched TruSHAKE performed well with peanut and butter pecan flavours. We are continuing to place, merchandise and position the newly launched products to boost ongoing sales.

Grow total exports:

Total export numbers surpassed J\$1 billion which represented a 71% increase YOY. We started the year strong and by the second quarter exports grew by 103 percent. This continued throughout the year with the main markets in the US, UK and other parts of Europe performing exceptionally well. The decision to shift UK production to Jamaica

two years prior has yielded tremendous results. We earn more revenue due to lower production costs and increased our brand affinity as UK consumers are proud that the products are manufactured in Jamaica. This year, UK volumes surpassed our expectations, and we are certain that we are reaching mainstream consumers. Similarly in the US we are noting a crossover into Latin and other Caribbean consumers.



Drive technological efficiency:

We are implementing a new Enterprise Resource Planning (ERP) system to drive technological efficiency and advance our initiatives to reduce paper and improve both service times and service levels.

\$39.0B

Revenue

Propelled by strong demand across all categories, Revenues from operations for the year ended June 30, 2022, was \$39 billion (see Five Year Financial Highlights) or 22.7% greater than the \$31.8 billion of the prior year. Revenue growth in the final quarter of financial year ended 2022 was 30% when compared to the same period in the prior year. During the final quarter, we encountered supply chain issues in selected key raw materials some of which require special transportation equipment. This impacted production and consequently dampened revenue levels.

\$13.3B

Gross Profit

Gross Profit for the year was \$13.3 billion which was \$2.1 billion or 19.2% greater than the prior year whilst our Gross Margin was 33.9% compared to 34.9% for financial year ended 2021. The reduction in Gross Margin, when compared to the prior year, is due to higher energy costs which, resulted from our LNG plant experiencing some downtime, and higher input costs on certain raw materials.

\$5.0B

Net Profit

Profit before Taxation for the year was \$5.0 billion or 31.3% greater than the prior year's \$3.8 billion. Net profit after taxes for the year was \$4.1 billion compared to \$3.1 billion in the prior year. Our net profit margin of 10.4% for 2022 was greater than the 9.7% realized for 2021 and reflected an improvement of 70 basis points over the prior year.



33.9%

Gross Margin

Our Gross Margin was impacted by inflationary pressures on inputs and the increase in commodities pricing including the cost of oil. Sugar prices and shipping rates also rose so there was a corresponding impact. Although partially mitigated through price increases, we landed 100 basis points lower than the previous year with a Gross Margin of 33.9% vs 34.9% in 2021.



\$8.5B

Selling, Distribution & Administrative Expenses

Selling, Distribution & Administrative expenses for the year totalled \$8.5 billion, which was 12.8% greater than the \$7.6 billion of the prior year. Expanded business activity along with inflation contributed to the increase in these categories of expenses.

However, with the accelerated revenue growth and tightly controlled expenses, we saw a noticeable improvement in our expense-to-sales ratio for the year from 23.8% last year to 21.9% in 2022. This improvement resulted in the slightly higher Net profit margin reported.

\$17.8B

Current Assets

Current Assets increased by 24.2% from J\$14.2 billion to J\$17.8 billion due to excess Inventories being held to minimize disruptions from possible supply chain delays as well as approximately \$600 million of deposits placed for new equipment as we move to expand our production capacity during financial year ending 2023.

Our Current Ratio at 2.4 is in line with our prior year, and our return on average equity at 25% improved by 300 basis points over the 22% of financial year ended 2021..



\$108M

Finance Income

Included in Finance costs are foreign exchange losses for the year of approximately \$34.7 million which compares to foreign exchange gains of \$69.5 million recognized in other operating income for the prior year. Interest income improved over the prior year by approximately \$108 million due to higher rates being earned on deposits.

\$0.40

Dividend payout

A dividend of 20c per share was declared on June 27, 2022, and has been accrued in our financial statements. The accrued dividend, along with the dividend of 20c per share paid on March 1st, 2022, brings the dividend for financial year ended 2022 to 40c per share, resulting in a dividend yield of 2.0% (1.9% FY21), based on the closing stock price at June 30 of the respective financial years. The 40c dividend per share for FY22 is 33.3% greater than the 30c per share for FY21.

\$1.08

Earnings per share

Earnings per share for the year was \$1.08 per share or 31.7% greater than the 82c per share for the prior year.



Outlook for the Future

Our business has demonstrated its agility and resilience while Jamaica heads toward economic recovery. Delivering sustainable growth and increasing shareholder value are our main objectives for the long term while ensuring the engagement of our Wisynco Team.

Going forward, fulfilling our strategic vision centres on leveraging our strong capital base to re-invest in the business and seizing attractive opportunities to expand both locally and in international markets. This involves:

- Capital investment in significant expansion plans. We are pouring J\$5 billion into major projects including two new sophisticated production lines, expanding our energy generation plant, new buildings for manufacturing, a new ERP system, and positioning the Company to enter new channels of business.
- Investing in our people. We are launching various learning and education initiatives to recruit and train in anticipation of greater demand.

- Growing exports to realize untapped potential. We have several initiatives underway and are aligning increased production capacity with a greater focus on building and leveraging in-market relationships, which will augur very well for future growth.
- Fulfilling our commitment to reducing the environmental impact of our operations. We aim to do more in measuring our carbon footprint and we are exploring the possibility of capturing carbon dioxide outputs for further processing. We aspire to a net zero water standard where we return the quantity and quality of natural water we use to the environment. In line with Jamaica's climate change policy, we will also place increased scrutiny on the outcomes and objectives of Recycle Partners of Jamaica and make our own targets public so that we make our promise visible to all and therefore drive the collection of plastic to be recycled.

2022 Five-Year Financial Highlights

Year ended 30 June	FY 2018 \$'000	FY 2019 \$'000	FY 2020 \$'000	FY 2021 \$'000	FY 2022 \$'000
Revenue	\$24,544,049	\$26,939,227	\$32,170,426	\$31,816,430	\$39,045,880
% Change YOY	14.8%	9.8%	19.4%	(1.1%)	22.7%
Gross Margin (%)	37.2	37.1	34.4	34.9	33.9
Net Profit After Tax	2,292,925	2,542,165	2,662,667	3,072,300	4,053,683
EBITDA	3,804,507	4,260,465	4,472,670	5,019,790	5,977,391
EBITDA Margin (%)	15.5%	15.8 %	13.9 %	15.8%	15.3%
Net Profit Margin (%)	9.3 %	9.4 %	8.3 %	9.7%	10.4%
Debt:					
Shareholders' Equity	0.3	0.2	0.2	0.1	.09
S&D & Admin Expenses to Sales (%)	26.0	26.8	25.3	23.8	21.9
ROE (%)	26.4	22.9	20.5	20.4	22.8

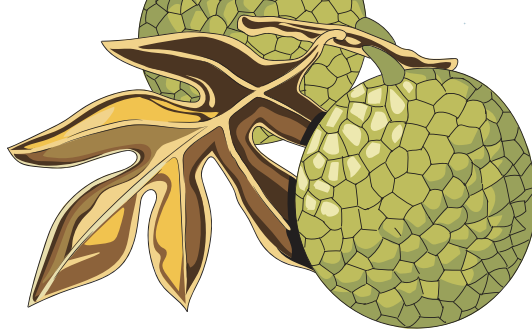
Five-Year Financial Analysis

Year ended 30 June	FY 2018 \$'000	FY 2019 \$'000	FY 2020 \$'000	FY 2021 \$'000	FY 2022 \$'000
Revenue	24,544,049	26,939,227	32,170,426	31,816,430	39,045,880
Cost of Sales	(15,421,144)	(16,867,965)	(21,103,363)	(20,700,100)	(25,794,948)
Gross Profit	9,122,905	10,071,262	11,067,063	11,116,330	13,250,932
Other Operating Income	92,157	288,656	142,654	240,581	151,559
Selling and Distribution Expense	(5,412,601)	(6,124,857)	(6,784,843)	(6,149,378)	(7,094,702)
Administration Expenses	(956,683)	(1,097,978)	(1,370,277)	(1,416,660)	(1,437,412)
Operating Profit	2,845,778	3,137,083	3,054,597	3,790,873	4,870,377
Finance Income	130,837	119,218	320,495	195,534	301,258
Finance Costs	(211,411)	230,205	(155,844)	(153,730)	(149,059)
Share of results from Associates	-	7,792	984	(29,722)	(28,124)
Profit before Taxation	2,765,204	3,033,888	3,033,888	3,802,955	4,994,452
Taxation	(513,834)	(491,723)	(557,565)	(730,655)	(940,769)
Profit from Discontinued Operations	41,555	387,157	139,736	-	-
Net Profit	2,292,925	2,929,322	2,802,403	3,072,300	4,053,683
Other Comprehensive Income					
Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of foreign subsidiary	26,853	(1,038)	9,765	6,093	(570)
Share of other comprehensive income of associate	-	-	9,322	5,636	18,504
Unrealized (loss)/gain on investment securities	3,728	10,886	17,302	11,362	114,701
Total Comprehensive Income	2,323,506	2,939,170	2,838,792	3,095,391	4,186,318
Earnings per Share					
from continuing operations	0.61	0.68	0.71	0.82	1.08
From discontinued operations	0.01	0.10	0.04	-	-



Celebrating Jamaica

We close with humility and tremendous appreciation for our employees, customers, and shareholders. As proud Jamaicans in all that we do, Wisynco is fully committed to consistently creating value and giving back to our country and people as a whole. We are confident that the next 60 years will be tremendous for Wisynco, our people and the country. Thank you for being on this ride with us!



Marketing

Bringing the best of Jamaica to the World

Wisynco is the quintessential Jamaican company, from our roots as shoe manufacturers to our innovation of the original Jamaican soft drink BIGGA to launching the first locally crafted energy drink Boom! We are proud of our history, heritage, and people, and stride confidently into the future. We are Jamaicans. Bringing the best of Jamaican manufacturing to the world while being mindful of sustainability in all we do.

We have established ourselves as one of the leading distribution companies in Jamaica and continue to attract new partners and expand our range of offerings. Our ability to understand and respond to consumers through relevant innovation, impactful marketing campaigns and a focus on reinvesting in communities enables us to stay ahead of the competition.

The impact of the pandemic catalysed a restructure of our Marketing efforts and a shift toward bringing many of our strategies primarily into the digital space as we continued to develop and market our extensive portfolio of homegrown and imported brands.

We continue to expand our portfolio in new and existing categories and be the market leader in the bottled water, flavoured water, energy drinks, flavoured drinks, and juice categories, with the WATA, CranWATA, Boom, BIGGA, and Tru-Juice brands, respectively



WATA

Our flagship brand, WATA, has been hydrating Jamaicans for over twenty years since the year 2000 when Wisynco led the local innovation in that segment. Our sales and reach in terms of customers and package types have expanded exponentially over the years. We continually invest in the brand to offer our consumers more options and better experiences. Our iconic brand has now become synonymous with national fervour as we continue to align our marketing efforts with the significant moments in Jamaican life.

In July 2021, we continued to support our annual Independence celebrations with special commemorative labels to honour Jamaican culture. For 2022, WATA will continue to be the brand on everyone's lips, as we take our role as 'the hydration brand of Jamaica' seriously. For the island's 60th anniversary celebrations we were designated the "Official WATA of Jamaica 60" and activated a give-back through educational grants to our nation's students and teachers.

WATA continues to support sporting activities as an important platform for the personal and professional development of our youth. We maintain a connection to our national sporting teams and are the hydration sponsor of the male and female National Football Teams, the National Netball Team, the Jamaica Premier League, School Boy Football, and the JAAA as well as multiple fitness and community sporting activities around Jamaica.

Grape WATA Launch

In February 2022, we launched Grape WATA, our latest beverage innovation. A multi-media marketing campaign was launched in May 2022 to support the trending brand. There is much more to come for the ‘Grape Escape’.

Trade Winds

While there were fewer innovations this year for the new Trade Winds Dairy portfolio we conducted islandwide sampling and promotion of our new TruSHAKE flavours.



Social media

Capitalizing on the power of social media to recruit new consumers and increase direct communication and engagement, our digital strategy encompassed the management of 20 pages, including Facebook, Instagram, Twitter, and YouTube. Through these efforts, the Company has acquired over 460,000 fans/ followers, created over 127,000 impressions, and engaged 1,400,000 consumers online.

While the pandemic continued to restrict face-to-face trade marketing activity for much of the financial year, we used the extensive reach of social media to showcase and promote our wide range of food and beverage products and partnered with our customers to engage consumers. This included WATA Celebrate di Winings, WATA Reggae Wave, and WATA Wishes in December 2021.

Our grocery brands launched two joint social media trade and consumer engagement campaigns called the Wish List (Christmas) and 100 days of Summer which boosted traffic to our IG and Facebook pages by 25%.

As pandemic restrictions lifted, we resumed our place as lead brands for significant events in local media and entertainment events. Major activities and campaigns included:

- CranWATA sponsorship of the Schools Challenge Quiz
- Participation in the Jamaica Rum Festival in June 2022
- The Carifta Games hosted by Jamaica in March 2022
- Hope Gardens four series Fitness Event July- August 2021
- The Social House Reality Series sponsored by Boom
- Coca-Cola Twist for Gold October 2021



Worthy Park

Our alliance with Worthy Park Estates continues to be an integral part of our growing portfolio and yielded promising results during the financial year. Our exclusive brands, Worthy Park and Jamaica Gold dominated the sugar category which resulted in a 14% increase in sales over the last year and the strengthening of our strategic position in this market. In the alcohol category, the May 2022 introduction of the premium Worthy Park Select Rum Cream as well as positive outcomes for the Rum Bar brand resulted in an increase in sales and increased trade and core consumer engagement.

St. Mary's

The JP Tropical snack portfolio benefited from greater managerial and marketing attention to bolster its trade activations and customer engagement. As we emerged from the restrictions of the pandemic, a new product category, Johnny Crunchers, was launched. The brand engaged in above-the-line and social media campaigns as well as trade activations and extensive sampling to introduce the products to new consumers. The brand also launched a line extension to its Plantain Chip line and refreshed the packaging of the entire portfolio to meet consumer trends.



In continuing to develop and market an extensive and diverse portfolio of brands from leading food and beverage manufacturers in Jamaica and across the world, we ensure integration at all levels with staff, customers and consumers. This results in the continuous expansion of and opportunities for not only beverage brands but also our snack, ice cream, grocery and confectionery portfolio.

Through our locally owned and manufactured beverages, Wisynco remained 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 six (6) seasonal label changes, one major product launch, and the line extension of one significant beverage brand. In addition, our brands added value to consumers by gifting over 150,000 bottles of beverages and over 20,000 premiums at the point of purchase via 1,300 promotions in 1,100 retail outlets and street-sampling activities across Jamaica. Sponsorships and donations provided over 185,000 bottles of beverages to support the efforts of 180 organizations.

Eco Marketing Activities

Our recycling activities have transitioned to engaging with consumers through the programmes of Recycling Partners of Jamaica. This planned transition allows us to focus our efforts on education and support for environmental sustainability. We know that our stakeholders share our passion for the environment, and we use our social media pages strategically to highlight the need for and ease of recycling and environmental awareness. We will continue to engage in community and school eco-activities to help our consumers to keep recycling top of mind.



Commercial

Reaching our customers with the right products at the right time

COVID-19's wrath has touched each one of us in some shape or form and FY2021-22 was certainly no walk in the park as we continued our journey of 'improving the lives of our people' despite the spectre of the pandemic. We take this opportunity to say special thanks to all the hardworking front-line workers who never relented despite the many obstacles they faced and helped us win in the market.

With our thrust of advocating to our teams the importance of vaccination, we were elated to see record numbers of sales and merchandising team members come out to the office and support the initiative. A massive "BIG UP" to them as they took one 'in the arm' for the team. Kudos to the HR team and volunteers who provided unbelievable support, encouragement and guidance.

Despite FY2020-21 showing signs of a depressed market, coupled with chronic global supply issues, our teams still forged ahead and delivered on our mantra of "No Brand, No Shelf, No Customer or person left behind". This was evident in our remarkable final sales numbers and customer contact points. We are continuing to roll out new systems with our activity-based selling initiatives, ensuring we reach our customers with the right products at the right time. Implementing new systems for efficiencies around routing and delivery to all our valued customers, helping the team to focus on selling, is ongoing.



With the hospitality sector and some schools opening up during the later months, we were happy to see sales improving on a regular basis, with the division registering 66% growth when compared with last year. Exports too showed major signs of improvement and this augurs well for us as we seek to capitalize on more opportunities in this marketplace.

The outstanding stewardship of the sales leadership must be commended as our leaders worked tirelessly to keep the teams customer-focused. Overall, we delivered excellent results, and we are deeply grateful for the continued dedication and commitment of our outstanding team as we aim even higher for FY2022-23.

Operations

The financial year 2022 has been a year of unpredicted growth for the logistics and distribution operations of Wisynco with the rebound from the COVID-19 pandemic. Wisynco's operations have once again adapted and thrived in a dynamic economy. These year-end results are a testimony to Wisynco's ability to meet any challenge. While supply chain issues hindered our normal, class-leading, efficiency in the supply of finished products, operations and manufacturing have worked together to implement more agile methodologies to match supply with demand. Concurrently, we have increased our peak capacity while reducing overall labour cost per case.

Our fleet and facilities maintenance has also experienced a challenging year stemming from supply chain issues. Spare parts have seen a sharp increase in price coupled with arduous lead times for delivery.

Wisynco's operations has continued to invest in our facilities and support infrastructure in the following ways:

1. We have commissioned our first satellite distribution warehouse in Trelawny to further our brand penetration in rural territories.
2. We are currently implementing two IT-based solutions to further improve our route optimization and delivery performance.
3. The canteen facility has been upgraded and expanded by 3,000 square feet.
4. Investment in a new state-of-the-art gym open to the group.

Wisynco applauds the contribution and sacrifice of the team during the pandemic and look forward to continued growth as the country recovers.



'Wata' plant at Wisynco's Lakes Pen location.

Manufacturing

Staying Ahead with Agility and Innovation

The Manufacturing Team remained robust and continued to make steady gains in multiple areas, despite the challenges caused by the COVID-19 pandemic. At the heart of Wisynco's plans to catapult our growth is our manufacturing prowess. We are proud of our ability to stay ahead of the crisis by being agile, focused, and innovative.

Notably, we continued producing consistently even though there were significant supply chain issues related to spare parts, raw materials, high labour turnover of technical staff, and absences due to COVID-19-related issues.

Notwithstanding the difficulties we successfully increased production by approximately 24% in the financial year 2022. We are committed to always improving our efficiencies and remaining relevant and productive in a fast-paced and ever-changing environment.

We continue to maintain our international certifications which are key levers for accessing new markets. We retained our Quality Management Systems Certification (ISO 9001), Food Safety System Certification (FSSC 22000), Occupational Health and Safety Management Certification (ISO 45001), and Environment Management System Certifications (ISO 14001).

Major projects during the year included:

- Power generation expansion with the purchase of a new 2KVA Diesel gas blend unit which will be installed in FY22/23. This will dramatically improve the quality, reliability, and cost of electrical energy for our company.
- Installation of a Fire protection ring at White Marl, complete with a ring main around the facility, a fire pump and water storage dedicated to fire safety. This extensive undertaking was finally completed in July 2022 and enabled us to surpass the Jamaica Fire Brigade standards and pass certification of the facility.
- Major upgrades to our internal water supply system to improve the reliability of supply and accelerate our water usage ratio reduction (WUR). We are also upgrading our piping structure and began the design of a more efficient water purification system for implementation in fiscal 2023.
- Re-commissioning of a production line at our White Marl location to help us meet heightened demand during the year and supplement key stock-keeping units (SKU's) not being produced at the Lakes Pen business unit.



Liquefied Natural Gas (LNG) plant at Wisynco's Lakes Pen location.

Investing and Upgrading for the Future

In anticipating continued strong demand for our core products, we designed and purchased a new line with new utility equipment and started construction to extend the current facilities as part of the announced \$5 billion capital outlay. This additional line will be installed at Lakes Pen by the fourth quarter of financial year ending 2023 and commissioned during 1st quarter of financial year ending 2024.

At White Marl, we embarked on a long-term strategy to improve line efficiencies by making several upgrades. This included the acquisition of a new high-speed labeller, two new palletizers, and a new in-line pallet stretch wrapper. These were acquired in the third quarter of Fiscal 2022 and will be installed and commissioned by the third quarter of fiscal 2023.

We also started upgrading a line to include a mixer and filler, utilizing the latest available technology with an energy-saving feature. This line will be shipped and installed in 2023 and will greatly enhance our ability to meet consumer demand and allow flexibility in production planning. These improvements with new machinery total approximately \$1.9 million USD.

Health and Safety for ALL

At Wisynco we strive to build a robust health and safety culture of zero harm. Continuous training and adherence to the highest safety standards increases our ability to work in an environment of zero accidents. We engaged our entire workforce in the celebration of "World Day for Safety and Health in the Workplace" in April. Employees participated in quizzes, puzzles, Instagram spotlight roving camera, and a jingle competition. The teams absolutely loved it! This is a small example of our ongoing commitment to "improve the lives of our people".

In our manufacturing division we continued to support our employees by extending the facility of providing transportation, a practice brought on by the pandemic.

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.



Human Resources

Remaining Resilient

Our people are the heart of our business, and our commitment to improving their lives is unwavering. We remain focused on our aspiration to provide meaningful work, in the best possible environment while offering best-in-class learning and career development opportunities. In Fiscal 22, as the pandemic entered its closing phase, we faced many challenges including staff retention and engagement. We also welcomed two new senior leaders to the Wisynco HR team. In embracing change, we look forward to building on our firm foundations and delivering a transformational people agenda.

Key People Priorities

THE TALENT AGENDA

This year we continued our investment in leadership development with the first cohort of the inaugural Wisynco LEAD Programme which ran from July 2021 to August 2021 and focused on building the capabilities of second-tier leaders in our organization. Having completed the groundbreaking programme, this first group of nine (9) leaders is expected to role model the newly acquired capabilities and strengthen our succession plans.

One of our goals is to strengthen the capacity of all employees to meet the demands of the workplace, future learning and everyday life through the development of essential skills. The Wisynco TRAC Programme (Training to be Relevant, Adaptable and Confident) officially started in September 2021. The target audience is employees who wish to upgrade their proficiency in the areas of English, Mathematics and EDPM (Electronic Document Preparation and Management) to the secondary level.

A total of 45 employees enrolled for Cohort 1 across the three subject areas. Their current roles span Office Attendant, Haulage Clerk, Grounds Crew, Packaging Operator, Credit Note Clerk, Inventory Officer and Data Entry clerk. They represent various departments such as Administration, Operations/Warehouse, Credit, Inventory, Manufacturing and Security. As an outcome of the programme, participants who attain the desired level of competency are encouraged to sit the CSEC (or

City and Guilds Certification) exams in their subject. Cohort 1 is expected to complete the programme in June 2023 after completing the exam. A second cohort will commence the programme in the new school year.

We are proud of the efforts of the learning and development team which hosted 32 competency-based learning activities with participation from 795 employees. Additionally, 308 full-time positions were filled, including 119 roles through promotions and transfers.

Our Employee Tuition Assistance Programme continues to be an essential part of our offering to employees as we support them in their quest for personal development.

EMPLOYEE EXPERIENCE

To acknowledge the contribution of our employees who stepped up to maximize the availability of our products to customers and consumers during the festive season, we distribut-

ed a total of 2000 gift baskets to all our employees and contractors in time for Christmas 2021 celebrations.

As part of creating a more comfortable work environment, we completed the construction of the new dining room at our Lakes Pen Canteen and the facility was officially opened in April 2022. We will continue with the expansion and upgrading of the facility to enhance the overall experience.

FORGING AHEAD WITH OUR PEOPLE

At Wisynco, we are proud of the tremendous talent that we have in the business, and we are focused on developing and nurturing our people now and in the exciting future we see ahead. HR will continue to add value by focusing on key areas to support business growth, these include:

1. Targeted Health Safety and well-being programmes across all functions and levels.
2. Leveraging and building on our unique culture to deliver sustainable high-performance and employee engagement.
3. Innovative and “fit for purpose” learning and development solutions to grow our talent pipeline and secure our succession bench.
4. Robust investment in Talent Acquisition to boost recruitment efficiency and quality of hire.

As we refine our plans for the years to come, our commitment to improving the lives of our people and delivering value for our business remains at the heart of all we do. We are encouraged by the dedication and selflessness of our Wisynco Team and look forward to working with them to unlock extraordinary possibilities for the whole Wisynco family.



Risk Management and Internal Control

DOING THINGS THE RIGHT WAY

Wisynco recognizes that effective risk management is not about eliminating risk-taking, which is an integral part of any business activity. Rather, the Company strives to balance our strategic objectives with the risks we are prepared to take, all while conducting our business in a socially responsible and sustainable way.

To do so, Wisynco employs an enterprise-wide risk management framework, driven by our company mission, vision and values, to enhance company performance and positively impact shareholder value.

Our risk framework consists of several components including objective setting, identifying and assessing risk and risk responses, measuring and monitoring risks, and finally, reporting on the effectiveness of risk responses to the Executive Management and the Board.

The sub-committee to the Board, the Audit & Risk Committee, oversees the risk management process, reviewing the enterprise-wide risk profile and evaluating key risks on a quarterly basis.

THREE LINES MODEL

In support of the Company's risk management programme, Management employs the Three Lines Model to mitigate risks and threats.

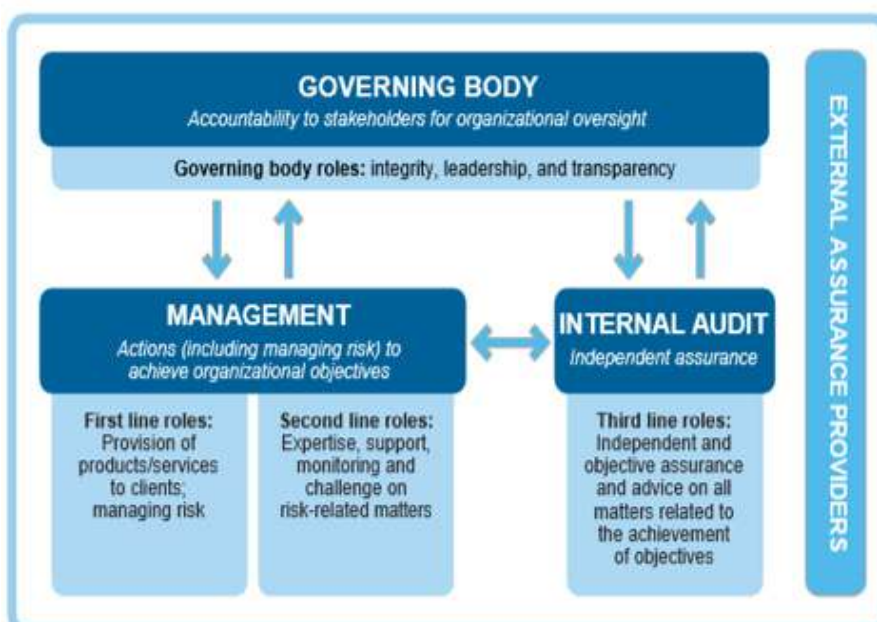
The model identifies structures and processes that best support the achievement of objectives and facilitates strong governance and risk management.

A critical component of the model is the internal audit function which provides assurance to Executive Management and the Board, through the Audit & Risk Committee, that systems and processes are operating effectively.

Figure 1. Risk Management Components



The IIA's Three Lines Model



Further, Internal Audit provides support in maintaining the public's confidence by performing independent and objective reviews, and reporting on findings so that corrective actions or enhancements are implemented and followed through to completion.

Overall, this approach to risk management and internal control allows the Committee to 1) make informed decisions about the acceptable level of

risk, 2) oversee that Management implements the necessary safeguards and controls to mitigate risk, and 3) align the Company's strategic objectives with company policies and practices, thereby increasing company performance and shareholder value.

Information Technology

Driving Growth Through Superior Technology Support and Innovation

Wisynco marked yet another successful year of driving technological innovation to support the business in satisfying our customers. We focused on sustaining the Company's continued growth by ensuring the availability of expert technology support and building enhanced data capabilities.

Our activities included expanding functionality in areas of Inventory, Warehouse Management, Trade and Logistics to better manage supply chain demands. This is in direct support of fulfilling our growing customer needs and our commitment to enhancing customer satisfaction using information technology.

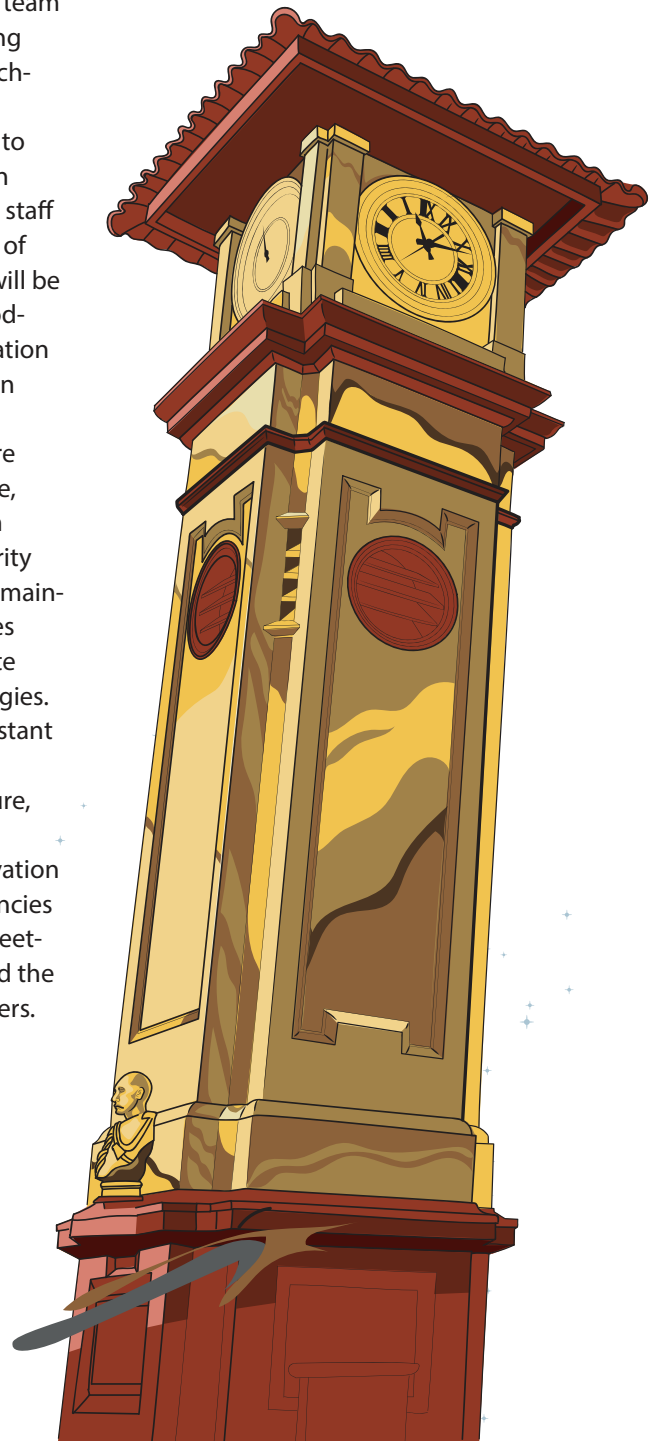
Having prepared our systems to manage increasing demands, we continued to operate within best practice recommendations to ensure continued uptime and systems availability. Once again, we are pleased to report that systems availability throughout the year met our Key Performance Indicator metrics. Improved monitoring and maintenance played a key supporting role in meeting these standards.

As we emerge from the pandemic, we have adopted a standards-based approach to IT (COBIT) which is targeted for completion in the upcoming financial year. Additionally, our application portfolio was expanded to include cloud solutions in a secure working environment that provided ease of access to users.

We also focused on the performance management of the team and preparing our technology team to better support new emerging systems from best-of-breed technology suppliers and partners. People development is critical to our success, and we invested in training and developing our IT staff to fuel the fast pace of change of our technology systems. This will be ongoing as we continue to modernize and expand our information technology assets which in turn drive our ability to innovate.

Data security and privacy are of utmost importance to us. We, therefore, remain vigilant in an increasingly hostile cybersecurity environment and consistently maintain strict procedural guidelines to manage all risks and mitigate threats using current technologies. This will remain an area of constant review and update.

As we look towards the future, we are poised to continue this journey of technological innovation to increase agility, drive efficiencies and support the business in meeting our strategic objectives and the expectations of all our customers.



ENVIRONMENT, SOCIAL, GOVERNANCE

Wisynco's Mission ... "Improving the Lives of Our People" ... resonates both within the Company for our employees and externally to the wider Jamaican community. We are committed to the continued growth of our Company in a sustainable and socially responsible way for greater value to all stakeholders.



Our ESG Story: How it started ...

Our ESG journey began with Wisynco's close association and founding mentorship of organisations such as Food For the Poor (FFP) and Recycling Partners of Jamaica (RPJ). Wisynco has long held a tradition of service to God, Family, Country, Company and last but not least its people and the surrounding communities.

At the close of this financial year, Wisynco embarked on a journey toward making purposeful, long-term

commitments in support of the Environment, Social and Governance (ESG) objectives that will be incorporated in the Company's strategic planning.

Our goals and priorities will expand into the arenas of 1) the improvement of our people through Education, Health and Wellbeing programs, Equity and Inclusion policies, and 2) consideration for our impact on the world around us through Energy and Water conservation, and Responsible consumption and production practices.



Wisynco has and will continue to strive for ...
 Excellence in **ENVIRONMENTAL** management
 Delivering a positive **SOCIAL** impact
 Robust corporate **GOVERNANCE**

Improving the Lives of Our People

<p>PEOPLE: Education Health</p>	<p>PROSPERITY: Job Community Creation Development</p>	<p>PLANET Water Energy</p>
<ul style="list-style-type: none"> • Launched an education campaign in honour of Jamaica’s 60th anniversary of Independence and provided scholarships for over 200 students and teachers across the island. • Provided educational assistance to our employees through our ‘LEAD’ and ‘Future Leaders’ programs designed to develop talent and provide continuous learning opportunities. • Encouraged and promoted the opportunity for our employees to improve their essential Math and English skills through our Training to become Relevant Adaptable & Confident “TRAC” program which saw 24 employee graduates this year. • Promoted Wata 4-a-day campaign to raise awareness on the health benefits of drinking sufficient water. • Supplied clean water to communities through donations to over 100 organizations. 	<ul style="list-style-type: none"> • Wisynco employs over 1800 permanent employees and over 500 temporary and contracted employees. • Wisynco’s management team is comprised of approximately 49% women. • Wisynco women in leadership positions (positions that report directly to the CEO) is approximately 40%. • Donated approximately J\$12M to build 10 homes for Jamaicans through collaborative efforts with BOOM and Food For The Poor. • Contributed more than 60 charitable donations to community and institutional activities throughout the year. • Encouraged development of work ethic and created job opportunities for young people through internship program during the summer. 	<ul style="list-style-type: none"> • Reduced our plastic content in water bottles by 50% and by 20% for carbonated beverages, over the last 7-8 years. • Founding member of RPJ and provide continual financial support through over J\$400M in financial contributions this year. • Drive awareness and collection efforts through Wisynco ECO brand and “Recycling Plastic Feels Fantastic” campaign. • We have been treating waste water running off from our manufacturing processes for over 10 years and currently treat approx. 400m3 per day or 105,000 gallons of industrial waste water. We are in the process of upgrading the waste water treatment plant to facilitate greater throughput. • Invested over US\$2M in a 2MGW Liquefied Natural Gas (LNG) plant..
 	 	 

Source: United Nations’ Sustainable Development Goals (SDGs)

CORPORATE SOCIAL RESPONSIBILITY

Wisynco has been a public company for 5 years as of 2022, and we have gradually adopted new methods to track and communicate effectively what we have always done, which is to respect the Environment, care about Our People, and govern our Company effectively.



Honouring this symbiotic relationship, Wisynco has pledged to safeguard Jamaica's greatest asset: its environment.

Wisynco has since its inception in 1965, recycled as much of its waste as possible. This was exemplified in late 1995 when we started recycling plastic bottles even before we started producing them ourselves. Our commitment to recycling has only grown in recent years and 2021- 2022 saw us invest the largest amount ever with more than J\$400M invested through Recycling Partners of Jamaica. In keeping with our commitment to driving product innovation and providing

great-tasting, quality products that fit every lifestyle, we are also passionate about playing our part to reduce our eco-footprint. Over the years, Wisynco has implemented many sustainability projects and will continue to place emphasis on this area

Wisynco has also now more formally, documented aspects of its governance.

Wisynco participates actively in many private sector and public sector initiatives to improve the lives of Jamaicans. We have been very involved in working with the JMEA, Bureau of Standards, Ministry of Health, and other agencies to review the Jamaican and Ca-

ribbean labelling standards to ensure Jamaicans are well informed about the products they consume by providing a comprehensively designed label that reflects standards that all manufacturers must meet. This project has been ongoing and supported by Wisynco and its Executives for many years. This is in keeping with the Government's work to tackle obesity and non-communicable diseases.

In the past financial year, despite the pressures brought to bear by the ongoing COVID-19 pandemic, Wisynco was able to maintain our strong community links, albeit on a reduced scale because of the difficulty of movement and the need for social distancing. Indeed, the demand for social support was even more evident and our team was up to the task of finding innovative ways to make meaningful contributions.



Vaccination Blitzes

Despite the challenges of continuous COVID-19 disruptions and the uncertainty of the past year, we found ways to continue to fulfill our mission-to improve the lives of the people within our company and in the wider Jamaican community. This year we maintained our focus on finding avenues to support health and wellness activities, promote access to quality education, and highlight environmental sustainability. We invested heavily in the drive to get Jamaicans vaccinated and our executives demonstrated strong leadership by being at the forefront of this drive.

Close to 400 Wisynco team members participated in the first of three Vaccination Drives at Wisynco's Lakes Pen headquarters in St. Catherine on September 7. The initiative was

executed as a collaborative effort between Wisynco and the Ministry of Health and Wellness (MOHW), led by the Private Sector Organization of Jamaica's (PSOJ) Private Sector Vaccine Initiative (PSVI).

As one of the leading food and beverage manufacturers, we continued to lend support on a national level through the MOHW COVID-19 Vaccination Blitz sites across the island with the provision of WATA and CranWATA to aid the hydration of participants. The Company also provided equipment such as tents, coolers, tables, and extended its support through medical innovation – most notably the fabrication of hundreds of polyethylene terephthalate (PET) bottles to make medical spacers which were donated to the Southeast Regional Health Authority (SERHA) through the Kingston Public Hospital (KPH).

Community Support

One of our signature activities was to find and support Jamaicans who were making their own unique contribution to the fight against COVID-19 disruptions, particularly for our students, one such being a Wata donation to Kevin Peart, a young man hosting free tutoring sessions for students in his community. We continued to invest in awareness campaigns, provided hydration support to many Community vaccination activities and through the support of over 100 organizations, we were able to provide aid to persons in need, including locked down communities, retirement homes, youth homes, and others including The National Children's Home, Maxfield Park Children's Home and The Wortley Home for Girls. Beyond this, we donated over 140,000 bottles of our beverages to support COVID-19 relief and vaccination centers to hydrate our frontline workers and other persons getting vaccinated.

During Christmas 2021, we made over 60 charitable donations to community and institutional activities including Christmas treats for the Denham Town Senior Citizens Association, The Sir John Golding Rehabilitation Centre and Jamaica Autism Support Association. Other charitable outreach activities include the Jesse Royal Back to School Treat, White River Fish sanctuary fundraiser and the Red Cross Prison Oval Community outreach.



"WATAhouse" community clean up

In September 2021, Wisynco who has been a long-standing sponsor of the Jamaica Premier League team Waterhouse took the opportunity to strengthen its commitment to the Waterhouse community.

Through its partnership with Recycling Partners of Jamaica (RPJ), and to kick start a recycling initiative, Wisynco conducted a community clean-up activity in conjunction with the Jamaica Environment Trust (JET) and was supported by the community members and the three schools in the area. Under the initiative, the three schools in the community will benefit from funding gained through their recycling programme and also received five tablets each to support online learning activities. Two small retail locations in the area also received a facelift.

Balcombe Drive Primary and Junior High, St Patrick's Primary, and Drew's Avenue Primary and Infant School will be fitted with recycling cages that will be accessible to students and community members to facilitate the collection of plastic bottles.

The community clean-up saw the collection of thousands of plastic bottles during the two-hour activity.



Tan Ah Yuh Yard - Boom Food For The Poor Housing Initiative Continues

BOOM, Jamaica's first 100% locally manufactured energy drink celebrated its 10-year anniversary in 2021-2022 by gifting some of the island's most vulnerable with 10 houses through a Food for the Poor 'Tan Ah Yuh Yard' COVID-19 housing initiative. The first of the 10 home constructions took place in Braeton Meadows, Portmore, St. Catherine for debilitated, 69-year-old retired postal worker Joan Willie. BOOM was the first corporate partner to give 10 houses under the 'Tan Ah Yuh Yard' Campaign."

Dancehall sensation and BOOM Ambassador Shenseea

was also present at the first hand over. The Food for the Poor 'double-unit' structures built by a small crew of skilled labourers and Wisynco volunteers contain two rooms, a kitchen, and a bathroom. They come equipped with plumbing, sanitary conveniences, and water storage tanks to facilitate sustainable hygiene and sanitation practices to help contain the spread of COVID-19. Twenty Jamaican families have so far benefited from this initiative and recipients were selected from all parishes in Jamaica.

Boom has committed to fulfilling another 10 homes in 2023.



AUDITED FINANCIAL STATEMENTS



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 2022, 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 2022;
- 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 2022;
- 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
<p>Impairment assessment for the Group's shareholding in associated company (Group and Company)</p> <p><i>Refer to notes 2(b)(ii), 4(b) and 17 to the consolidated and stand-alone financial statements for disclosures of related accounting policies and balances.</i></p> <p>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.</p>	<p>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:</p> <ul style="list-style-type: none">• 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.

Key audit matter

At 30 June 2022, the investment in JP Snacks Caribbean Limited was carried at \$571 million or 2.2% of total assets for the Group and \$586 million or 2.3% 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 investment 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 the pre-tax discount rate, terminal value growth rate and gross profit margins.

The judgement involved in determining the impact of COVID-19 on the key assumptions also caused us to focus on this area.

How our audit addressed the key audit matter

- Agreed the base year financial information used to generate forecast cash flows to current year results and compared the 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:
 - Pre-tax discount rate - evaluated management's inputs against independent third party economic and industry data and, where applicable, company specific data;
 - 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; and
 - 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.

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.
- 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.



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
29 August 2022
Kingston, Jamaica

Consolidated Statement of Comprehensive Income

Year ended 30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Revenue	5	39,045,880	31,816,430
Cost of sales		<u>(25,794,948)</u>	<u>(20,700,100)</u>
Gross Profit		13,250,932	11,116,330
Other operating income	6	151,559	240,581
Selling and distribution expenses		(7,094,702)	(6,149,378)
Administration expenses		<u>(1,437,412)</u>	<u>(1,416,660)</u>
Operating Profit		4,870,377	3,790,873
Finance income	9	301,258	195,534
Finance costs	10	(149,059)	(153,730)
Share of results of associate	17	<u>(28,124)</u>	<u>(29,722)</u>
Profit before Taxation		4,994,452	3,802,955
Taxation	11	<u>(940,769)</u>	<u>(730,655)</u>
Net Profit		4,053,683	3,072,300
Other Comprehensive Income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign subsidiary		(570)	6,093
Share of other comprehensive income of associate	17	18,504	5,636
<i>Items that will not be reclassified to profit or loss</i>			
Unrealised gains on investment securities	19	<u>114,701</u>	<u>11,362</u>
Total Comprehensive Income		<u>4,186,318</u>	<u>3,095,391</u>
Earnings Per Stock Unit attributable to stockholders of the Group	12		
Basic and Fully Diluted		<u>\$1.08</u>	<u>\$0.82</u>
		<u>\$1.08</u>	<u>\$0.82</u>

Consolidated Statement of Financial Position

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Non-Current Assets			
Property, plant and equipment	14	6,276,824	6,630,904
Intangible assets	15	6,911	18,247
Investment in associate	17	570,561	580,181
Loans receivable	18	212,723	205,685
Investment securities	19	1,070,595	640,840
		<u>8,137,614</u>	<u>8,075,857</u>
Current Assets			
Inventories	20	5,415,339	3,591,118
Receivables and prepayments	21	4,017,597	2,635,049
Investment securities	19	641,526	402,827
Cash and short-term deposits	22	7,679,736	7,661,003
		17,754,198	14,289,997
Current Liabilities			
Trade and other payables	23	5,998,416	4,590,330
Short-term borrowings	24	759,322	765,451
Lease liabilities	25	63,115	80,292
Taxation payable		453,639	464,199
		<u>7,274,492</u>	<u>5,900,272</u>
Net Current Assets		<u>10,479,706</u>	<u>8,389,725</u>
		<u>18,617,320</u>	<u>16,465,582</u>

Consolidated Statement of Financial Position (Continued)

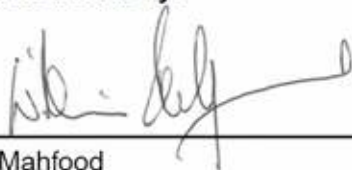
30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Equity			
Capital and reserves attributable to the company's equity holders			
Share capital	26	1,258,319	1,192,647
Other reserves	27	515,130	369,039
Translation reserve	28	77,798	59,864
Retained earnings	29	15,985,222	13,432,757
		<u>17,836,469</u>	<u>15,054,307</u>
Non-Current Liabilities			
Deferred tax liabilities	30	33,885	99,966
Borrowings	24	642,053	1,311,309
Lease liabilities	25	104,913	-
		<u>780,851</u>	<u>1,411,275</u>
		<u>18,617,320</u>	<u>16,465,582</u>

Approved by the Board of Directors on 29 August 2022 and signed on its behalf by:



 Andrew Mahfood Director



 William Mahfood Director

Consolidated Statement of Changes in Equity

Year ended 30 June 2022 (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 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 19)	-	-	11,362	-	-	11,362
Share of other comprehensive income of associate (Note 17)	-	-	-	-	5,636	5,636
Exchange differences on translating foreign subsidiary	-	-	-	-	6,093	6,093
Total comprehensive income	-	-	11,362	3,072,300	11,729	3,095,391
Transactions with owners -						
Long Term Incentive Plan (LTIP) expenses, net of taxes	-	-	109,143	-	-	109,143
Dividends (Note 33)	-	-	-	(1,125,000)	-	(1,125,000)
	-	-	109,143	(1,125,000)	-	(1,015,857)
Balance at 30 June 2021	3,750,000	1,192,647	369,039	13,432,757	59,864	15,054,307
Net profit	-	-	-	4,053,683	-	4,053,683
Changes in fair value of equity instruments measured at fair value through other comprehensive income (Note 19)	-	-	114,701	-	-	114,701
Share of other comprehensive income of associate (Note 17)	-	-	-	-	18,504	18,504
Exchange differences on translating foreign subsidiary	-	-	-	-	(570)	(570)
Total comprehensive income	-	-	114,701	4,053,683	17,934	4,186,318
Transactions with owners -						
Issue of Shares	6,250	99,503	(14,676)	-	-	84,827
Amount held as treasury shares	(2,125)	(33,831)	-	-	-	(33,831)
Shares issued through LTIP	4,125	65,672	(14,676)	-	-	50,996
Long Term Incentive Plan (LTIP) expenses, net of taxes	-	-	46,066	-	-	46,066
Dividends (Note 33)	-	-	-	(1,501,218)	-	(1,501,218)
	-	65,672	31,390	(1,501,218)	-	(1,404,156)
Balance at 30 June 2022	3,754,125	1,258,319	515,130	15,985,222	77,798	17,836,469

Consolidated Statement of Cash Flows

Year ended 30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Operating Activities			
Cash provided by operating activities	31	3,108,449	4,663,560
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	14	(424,323)	(591,771)
Purchase of intangible assets	15	-	(3,849)
Purchase of investments	19	(640,367)	(768,075)
Net withdrawals of deposits over 3 months		291,935	909,751
Proceeds from the sale of property, plant and equipment		5,466	1,039
Proceeds from the sale of investment securities		77,122	325,157
Dividend received		593	859
Long term receivable		(7,038)	(19,131)
Interest received		320,205	190,064
Cash (used in)/provided by investing activities		<u>(376,407)</u>	<u>44,044</u>
Cash Flows from Financing Activities			
Interest paid		(110,152)	(147,191)
Proceeds from shares issued under LTIP		50,996	-
Long-term loans repaid	31	(661,950)	(661,950)
Lease liabilities repaid		(131,913)	(104,424)
Loan commitment fees paid	31	(8,000)	(2,875)
Long-term loans received	31	-	500,000
Dividend paid		(1,500,393)	(712,500)
Cash used in financing activities		<u>(2,361,412)</u>	<u>(1,128,940)</u>
Increase in cash and cash equivalents		370,630	3,578,664
Cash and cash equivalents at beginning of year		7,265,567	3,637,130
Effects of changes in foreign exchange rates on cash and cash equivalents		(53,833)	49,773
Cash and Cash Equivalents at End of Year	22	<u><u>7,582,364</u></u>	<u><u>7,265,567</u></u>

Company Statement of Comprehensive Income

Year ended 30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Revenue	5	39,034,887	31,804,754
Cost of sales		<u>(25,777,760)</u>	<u>(20,675,931)</u>
Gross Profit		13,257,127	11,128,823
Other operating income	6	141,564	230,469
Selling and distribution expenses		(7,151,909)	(6,216,406)
Administration expenses		<u>(1,443,782)</u>	<u>(1,417,764)</u>
Operating Profit		4,803,000	3,725,122
Finance income	9	301,258	195,534
Finance costs	10	<u>(147,694)</u>	<u>(154,334)</u>
Profit before Taxation		4,956,564	3,766,322
Taxation	11	<u>(940,769)</u>	<u>(729,996)</u>
Net Profit		4,015,795	3,036,326
Other Comprehensive Income			
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Unrealised gains on investment securities	19	<u>114,701</u>	<u>11,362</u>
Total Comprehensive Income		<u><u>4,130,496</u></u>	<u><u>3,047,688</u></u>

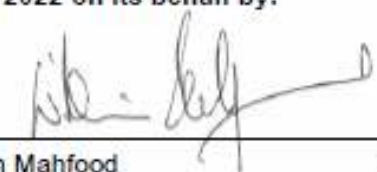
Company Statement of Financial Position

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Non-Current Assets			
Property, plant and equipment	14	6,276,824	6,630,904
Intangible assets	15	6,911	18,247
Investment in subsidiary	16	11,375	11,375
Investment in associate	17	586,169	586,169
Loans receivable	18	212,723	205,685
Investment securities	19	1,070,595	640,840
		<u>8,164,597</u>	<u>8,093,220</u>
Current Assets			
Inventories	20	5,415,339	3,591,118
Receivables and prepayments	21	3,988,732	2,604,413
Investment securities	19	641,526	402,827
Cash and short-term deposits	22	7,425,124	7,478,877
		<u>17,470,721</u>	<u>14,077,235</u>
Current Liabilities			
Trade and other payables	23	5,970,997	4,568,547
Short-term borrowings	24	759,322	765,451
Lease liabilities	25	63,115	80,292
Taxation payable		453,639	463,836
		<u>7,247,073</u>	<u>5,878,126</u>
Net Current Assets		<u>10,223,648</u>	<u>8,199,109</u>
		<u>18,388,245</u>	<u>16,292,329</u>
Shareholders' Equity			
Share capital	26	1,258,319	1,192,647
Other reserves	27	515,130	369,039
Retained earnings		15,833,945	13,319,368
		<u>17,607,394</u>	<u>14,881,054</u>
Non-Current Liabilities			
Deferred tax liabilities	30	33,885	99,966
Borrowings	24	642,053	1,311,309
Lease liabilities	25	104,913	-
		<u>780,851</u>	<u>1,411,275</u>
		<u>18,388,245</u>	<u>16,292,329</u>

Approved for issue by the Board of Directors on and signed 29 August 2022 on its behalf by:


 Andrew Mahfood
 Director


 William Mahfood
 Director

Company Statement of Changes in Equity

Year ended 30 June 2022 (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 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	19	-	-	11,362	-	11,362
Total comprehensive income		-	-	11,362	3,036,326	3,047,688
Transactions with owners -						
Long Term Incentive Plan (LTIP) expenses, net of taxes		-	-	109,143	-	109,143
Dividends	33	-	-	-	(1,125,000)	(1,125,000)
		-	-	109,143	(1,125,000)	(1,015,857)
Balance at 30 June 2021		3,750,000	1,192,647	369,039	13,319,368	14,881,054
Net profit		-	-	-	4,015,795	4,015,795
Changes in fair value of equity instruments measured at fair value through other comprehensive income	19	-	-	114,701	-	114,701
Total comprehensive income		-	-	114,701	4,015,795	4,130,496
Transactions with owners -						
Issue of Shares		6,250	99,503	(14,676)	-	84,827
Amount held as treasury shares		(2,125)	(33,831)	-	-	(33,831)
Shares issued through LTIP		4,125	65,672	(14,676)	-	50,996
Long Term Incentive Plan (LTIP) expenses, net of taxes		-	-	46,066	-	46,066
Dividends	33	-	-	-	(1,501,218)	(1,501,218)
		-	65,672	31,390	(1,501,218)	(1,404,156)
Balance at 30 June 2022		3,754,125	1,258,319	515,130	15,833,945	17,607,394

Company Statement of Cash Flows

Year ended 30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

	Note	2022 \$'000	2021 \$'000
Operating Activities			
Cash provided by operating activities	31	3,035,963	4,607,971
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	14	(424,323)	(591,771)
Purchase of intangible assets	15	-	(3,849)
Proceeds from the sale of property, plant and equipment		5,466	1,039
Purchase of investment securities	19	(640,367)	(768,075)
Proceeds from the sale of investment securities		77,122	325,157
Long term receivables net		(7,038)	(19,131)
Net withdrawals/(placements) of deposits over 3 months		291,935	909,751
Dividend received		593	859
Interest received		320,204	190,064
Cash (used in)/provided by investing activities		<u>(376,408)</u>	<u>44,044</u>
Cash Flows from Financing Activities			
Interest paid		(110,151)	(147,191)
Proceeds from shares issued under LTIP		50,996	-
Long-term loans repaid	31	(661,950)	(661,950)
Lease liabilities repaid		(131,913)	(104,424)
Long-term loans received	31	-	500,000
Commitment fees paid	31	(8,000)	(2,875)
Dividend paid		<u>(1,500,393)</u>	<u>(712,500)</u>
Cash used in financing activities		<u>(2,361,411)</u>	<u>(1,128,940)</u>
Increase in cash and cash equivalents		298,144	3,523,075
Cash and cash equivalents at beginning of year		7,083,441	3,510,593
Effects of changes in foreign exchange rates on cash and cash equivalents		<u>(53,833)</u>	<u>49,773</u>
Cash and Cash Equivalents at End of Year	22	<u><u>7,327,752</u></u>	<u><u>7,083,441</u></u>

Notes to the Financial Statements

30 June 2022 (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, including its investment in associate, JP Snacks, together with its wholly owned subsidiary, Indies Insurance Company Limited, is referred to as "the Group".
- (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.

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 determined that none was relevant to its operations.

Notes to the Financial Statements

30 June 2022 (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:

Amendment to IAS 1, 'Presentation of financial statements', on classification of liabilities (effective for annual periods beginning on or after 1 January 2024). 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 is currently assessing the impact of this standard.

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 adoption of this amendment is not expected to have a significant impact on the Group.

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 this amendment.

IFRS 17, 'Insurance contracts', as amended in December 2021 (effective for annual periods beginning on or after 1 January 2023). This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. The Group is currently assessing the impact of this amendment.

Notes to the Financial Statements

30 June 2022 (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.

Notes to the Financial Statements

30 June 2022 (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	
				2022	2021
Indies Insurance Company Limited	30 June	St. Lucia	Captive insurance	100	100

Notes to the Financial Statements

30 June 2022 (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 equals 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	
				2022	2021
JP Snacks Caribbean Limited (consolidated)	31 December	Cayman Islands	Manufacturing and distribution	30.0	30.0

Notes to the Financial Statements

30 June 2022 (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.

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 2022 (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.

Notes to the Financial Statements

30 June 2022 (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 2022 (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. 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 2022 (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 2022 (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 2022 (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; and
- amounts expected to be payable by the lessee under residual value guarantees.

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 incremental borrowing rate. 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 2022 (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 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 two 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 2022 (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 2022 (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.

Notes to the Financial Statements

30 June 2022 (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.

LTIP payments

The Group operates an equity-settled, incentive 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) 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 2022 (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.

(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 2022 (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 2022 (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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Receivables	3,965,410	2,513,230	3,936,560	2,482,612
Cash and short-term deposits	7,679,736	7,661,003	7,425,124	7,478,877
Investment securities	1,538,707	984,954	1,538,707	984,954
Loans receivable	212,723	205,685	212,723	205,685
	<u>13,396,576</u>	<u>11,364,872</u>	<u>13,113,114</u>	<u>11,152,128</u>

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

	2022			2021		
	Gross Carrying Amount \$'000	Loss Allowance \$'000	Expected loss rate	Gross Carrying Amount \$'000	Loss Allowance \$'000	Expected loss rate
0 to 30 days	2,071,699	-	-	1,531,884	460	0.03%
31 to 60 days	596,228	-	-	370,009	111	0.03%
60 to 90 days	200,732	-	-	119,116	60	0.05%
90 days or more	80,451	34,026	42%	61,136	39,334	64.34%
Gross amount	<u>2,949,110</u>	<u>34,026</u>		<u>2,082,145</u>	<u>39,965</u>	

Notes to the Financial Statements

30 June 2022 (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	
	2022	2021
	\$'000	\$'000
At 1 July	39,965	59,900
Provision for receivables impairment	6,891	12,881
Bad debt written off	(4,696)	-
Bad debt recovered	(8,134)	(32,816)
At 30 June	<u>34,026</u>	<u>39,965</u>

For loans receivable and amounts due from related parties, the impairments losses were not deemed material for the current year.

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	
	2022	2021
	\$'000	\$'000
Retail	1,682,235	1,104,130
Wholesale	683,933	502,013
Hotels and Restaurants	401,569	321,212
Export	181,373	154,790
	<u>2,949,110</u>	<u>2,082,145</u>
Less: Provision for credit losses	(34,026)	(39,965)
	<u>2,915,084</u>	<u>2,042,180</u>

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.

Notes to the Financial Statements

30 June 2022 (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 (2021 - \$64,500,000).

Notes to the Financial Statements

30 June 2022 (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	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 Years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	2022					
Liabilities						
Borrowings	136,552	142,583	538,297	695,521	-	1,512,953
Lease liabilities	7,009	14,018	64,020	98,985	-	184,032
Trade and other payables	3,819,389	1,685,186	178,014	-	-	5,682,589
Total financial liabilities	3,962,950	1,841,787	780,331	794,506	-	7,379,574
	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

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 2022 (expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

	The Company					Total \$'000
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	
	2022					
Liabilities						
Borrowings	136,552	142,583	538,297	695,521	-	1,512,953
Lease liabilities	7,009	14,018	64,020	98,985	-	184,032
Trade and other payables	3,791,970	1,580,594	282,606	-	-	5,655,170
Total financial liabilities	3,935,531	1,737,195	884,923	794,506	-	7,352,155

	The Company					Total \$'000
	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	1 to 5 Years \$'000	Over 5 Years \$'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

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 2022 (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\$10,232,088,000 and J\$9,977,926,000 at 30 June 2022 (2021 - J\$1,906,313,000 and J\$1,896,927,000) respectively. The Group and Company also have cash and deposits net of accounts payable denominated in Euros, amounting to an asset of J\$60,857,043 (2021 - J\$22,113,000).

Notes to the Financial Statements

30 June 2022 (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	% Change in Currency Rate	Effect on Profit before Taxation
		2022		2021
	%	\$'000	%	\$'000
Currency:				
USD - revaluation	+1	(102,321)	+2	(38,126)
USD - devaluation	-4	409,284	-6	114,379
EURO - revaluation	+1	(608)	+2	(442)
EURO - devaluation	-4	2,434	-6	1,327
	The Company			
	% Change in Currency Rate	Effect on Profit before Taxation	% Change in Currency Rate	Effect on Profit before Taxation
		2022		2021
	%	\$'000	%	\$'000
Currency:				
USD - revaluation	+1	(99,775)	+2	(37,939)
USD - devaluation	-4	399,099	-6	113,816
EURO - revaluation	+1	(608)	+2	(442)
EURO - devaluation	-4	2,434	-6	1,327

Notes to the Financial Statements

30 June 2022 (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						Total \$'000
	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	
	2022						
Assets							
Investment securities	141,346	-	487,887	604,008	305,466	173,414	1,712,121
Receivables	-	-	-	-	-	3,965,410	3,965,410
Cash and short-term deposits	3,588,781	4,090,488	-	-	-	467	7,679,736
Long-term receivable	1,733	1,074	4,966	204,950	-	-	212,723
Total financial assets	3,731,860	4,091,562	492,853	808,958	305,466	4,139,291	13,569,990
Liabilities							
Borrowings	130,062	130,050	496,463	652,650	-	-	1,409,225
Trade and other payables	-	-	-	-	-	5,682,589	5,682,589
Lease liabilities	6,132	12,358	58,125	91,413	-	-	168,028
Total financial liabilities	136,194	142,408	554,588	744,063	-	5,682,589	7,259,842
Total interest repricing gap	3,595,666	3,949,154	(61,735)	64,895	305,466	(1,543,298)	6,310,148
Cumulative interest repricing	3,595,666	7,544,820	7,483,085	7,547,980	7,853,446	6,310,148	-

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Group						Total \$'000
	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	
	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	69,449	-	2,076,700
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	69,449	4,295,876	6,452,868
Total interest repricing gap	4,124,663	3,313,261	(220,311)	(462,197)	(69,449)	(1,715,250)	4,970,717
Cumulative interest repricing	4,124,663	7,437,924	7,217,613	6,755,416	6,685,967	4,970,717	-

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Company						Total \$'000
	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	
	2022						
Assets							
Investment securities	141,346	-	487,887	604,008	305,466	173,414	1,712,121
Receivables	-	-	-	-	-	3,936,560	3,936,560
Cash and short-term deposits	3,334,169	4,090,488	-	-	-	467	7,425,124
Long term receivable	1,733	1,074	4,966	204,950	-	-	212,723
Total financial assets	3,477,248	4,091,562	492,853	808,958	305,466	4,110,441	13,286,528
Liabilities							
Borrowings	130,062	130,050	496,463	652,650	-	-	1,409,225
Lease liabilities	6,132	12,358	58,125	91,413	-	-	168,028
Trade and other payables	-	-	-	-	-	5,655,170	5,655,170
Total financial liabilities	136,194	142,408	554,588	744,063	-	5,655,170	7,232,423
Total interest repricing gap	3,341,054	3,949,154	(61,735)	64,895	305,466	(1,544,729)	6,054,105
Cumulative interest repricing	3,341,054	7,290,208	7,228,473	7,293,368	7,598,834	6,054,105	-

Notes to the Financial Statements

30 June 2022 (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	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	-	-	-	-	-	2,482,612	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	69,449	-	2,076,700
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	69,449	4,274,093	6,431,085
Total interest repricing gap	3,942,537	3,313,261	(220,311)	(462,197)	(69,449)	(1,724,085)	4,779,756
Cumulative interest repricing	3,942,537	7,255,798	7,035,487	6,573,290	6,503,841	4,779,756	-

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 FVOCI. The Group manages its price risk by trading these instruments when appropriate to reduce the impact of any adverse price fluctuations.

Notes to the Financial Statements

30 June 2022 (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% (2021 - 5% increase and decrease) with all other variables held constant.

Change in index:	Equity Securities	
	Effect on Other Components of Equity 2022 \$'000	Effect on Other Components of Equity 2021 \$'000
Decrease of 5% (2021 – 5%)	(8,671)	(2,936)
Increase of 5% (2021 – +5%)	8,671	2,936

(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 2022	Actual 2021
Minimum current assets to current liabilities	1.20:1	2.41:1	2.39:1
Minimum earnings before interest, taxation depreciation and amortisation	1.5	7.97	6.56
Maximum debt to earnings before interest, taxation depreciation and amortisation	2.33:1	0.23:1	0.41:1
Minimum interest cover	2.9 times	55 times	33 times
Minimum debt service coverage margin	2.0 times	6.71 times	5.45 times

Notes to the Financial Statements

30 June 2022 (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 FVOCI as disclosed in Note 19.

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
	2022			
Investment securities – Quoted equities	173,414	-	-	173,414
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
	2021			
Investment securities – Quoted equities	58,713	-	-	58,713

Notes to the Financial Statements

30 June 2022 (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 (Note 17).

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

5. Revenue

Revenues can be disaggregated as follows:

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Export	1,073,369	628,009	1,073,369	628,009
Local	37,297,276	30,709,582	37,297,276	30,709,582
Related parties	664,242	467,163	664,242	467,163
Revenue transferred at a point in time	39,034,887	31,804,754	39,034,887	31,804,754
Revenue from insurance contracts (being total revenue recognised over time)	10,993	11,676	-	-
	<u>39,045,880</u>	<u>31,816,430</u>	<u>39,034,887</u>	<u>31,804,754</u>

6. Other Operating Income

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Bad debts recovered	8,134	32,816	8,134	32,816
Commission income	9,995	10,112	-	-
Discount received	24,175	25,908	24,175	25,908
Foreign exchange gains	-	69,449	-	69,449
Gain on disposal of property, plant and equipment	5,466	901	5,466	901
Management fees (Note 13(e))	10,229	7,314	10,229	7,314
Other	29,333	4,515	29,333	4,515
Rebates	31,518	32,226	31,518	32,226
Rental income (Note 13(e))	26,840	25,654	26,840	25,654
Royalty income	-	23,712	-	23,712
Storage income	5,869	7,974	5,869	7,974
	<u>151,559</u>	<u>240,581</u>	<u>141,564</u>	<u>230,469</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

7. Expenses by Nature

	The Group		The Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Advertising costs	432,543	426,478	432,543	426,478
Audit fees	17,299	15,527	14,675	12,571
Bad debt expense	6,891	12,881	6,891	12,881
Commissions	143,456	111,358	143,456	111,358
Cost of inventory recognised as expense	22,288,968	17,919,750	22,288,968	17,919,750
Delivery and motor vehicle expenses	1,946,242	1,539,294	1,946,242	1,539,294
Directors' fees	18,420	13,261	17,060	12,820
Insurance	41,227	30,094	293,122	274,197
Other operating expenses	1,366,740	1,209,876	1,165,218	1,013,133
Property expenses, including depreciation	2,450,109	2,082,886	2,450,109	2,082,886
Royalties (Note 13 (d))	26,267	22,406	26,267	22,406
Staff costs (Note 8)	5,074,512	4,539,779	5,074,512	4,539,779
Utilities	514,388	342,548	514,388	342,548
	<u>34,327,062</u>	<u>28,266,138</u>	<u>34,373,451</u>	<u>28,310,101</u>

8. Staff Costs

	The Group and Company	
	2022 \$'000	2021 \$'000
Wages and salaries	4,086,897	3,622,830
Statutory contributions	441,421	377,465
Other	322,264	249,290
Pension contributions (Note 32)	169,672	158,815
LTIP expenses	31,406	87,314
Termination costs	22,852	44,065
	<u>5,074,512</u>	<u>4,539,779</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

9. Finance Income

	The Group and Company	
	2022	2021
	\$'000	\$'000
Dividend income	593	859
Gain on disposal of investments	-	1,840
Interest income	300,665	192,835
	<u>301,258</u>	<u>195,534</u>

10. Finance Costs

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest expense -				
Bank borrowings	100,054	137,500	100,054	137,500
Leases (Note 25)	8,725	8,319	8,725	8,319
	<u>108,779</u>	<u>145,819</u>	<u>108,779</u>	<u>145,819</u>
Foreign exchange loss	34,712	-	34,712	-
Net foreign exchange loss on foreign currency leases	3,431	7,844	3,431	7,844
Other	2,137	67	772	671
	<u>149,059</u>	<u>153,730</u>	<u>147,694</u>	<u>154,334</u>

Notes to the Financial Statements

30 June 2022 (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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current income tax	1,041,019	703,574	1,041,019	702,915
Prior year (over-accrual)/under-accrual	(48,829)	60,933	(48,829)	60,933
Deferred income tax (Note 30)	(51,421)	(33,852)	(51,421)	(33,852)
	<u>940,769</u>	<u>730,655</u>	<u>940,769</u>	<u>729,996</u>

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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Profit before tax	<u>4,994,452</u>	<u>3,802,955</u>	<u>4,956,564</u>	<u>3,766,322</u>
Tax calculated at applicable tax rate	1,248,613	950,739	1,239,141	941,581
Adjusted for the effects of:				
Income not subject to tax	(32,978)	(28,842)	(32,978)	(28,842)
Expenses not deductible for tax purposes	2,892	20,249	2,892	20,249
Share of results of associate	7,031	7,431	-	-
Employment tax credit	(257,160)	(266,505)	(257,160)	(266,505)
Adjustment to prior provision	(48,829)	60,933	(48,829)	60,933
Tax incurred at another rate	-	(15,930)	-	-
Prior year deferred tax adjustment	42,563	-	42,563	-
Other	(21,363)	2,580	(4,860)	2,580
Tax expense	<u>940,769</u>	<u>730,655</u>	<u>940,769</u>	<u>729,996</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

12. 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.

	2022	2021
Net profit attributable to ordinary stockholders (\$'000)	4,053,683	3,072,300
Weighted average number of ordinary stock units in issue ('000)	3,751,494	3,750,000
Basic earnings per stock unit (\$)	<u>1.08</u>	<u>0.82</u>

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.

	2022	2021
Net profit attributable to ordinary stockholders (\$'000)	<u>4,053,683</u>	<u>3,072,300</u>
Weighted average number of ordinary stock units in issue ('000)	3,751,494	3,750,000
Effect of dilutive potential ordinary stock units ('000)	<u>7,244</u>	<u>3,298</u>
	<u>3,758,738</u>	<u>3,753,298</u>
Diluted earnings per stock unit (\$)	<u>1.08</u>	<u>0.82</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

13. Related Party Transactions and Balances

Parent Entities:

The group is controlled by the following entity:

Entity	Type	Country of Incorporation	Group's percentage interest	
			2022	2021
Wisynco Group Caribbean Limited	Immediate parent	Barbados	74	74
Evesam Investments Holdings Limited	Ultimate parent	Cayman Islands	36	36

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 17.

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

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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Convenient Brands Limited	610,988	475,115	599,995	463,439
JP Snacks Caribbean Limited	60,534	971	60,534	971
Trade Winds Citrus Limited	695	86	695	86
Worthy Park Estate Limited	1,644	1,638	1,644	1,638
Key management	1,374	1,029	1,374	1,029
	<u>675,235</u>	<u>478,839</u>	<u>664,242</u>	<u>467,163</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

13. Related Party Transactions and Balances (Continued)

(b) Purchases of goods and services

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade Winds Citrus Limited	5,375,075	3,469,596	5,375,075	3,469,596
Antillean Foods Inc	771,060	592,534	771,060	592,534
Worthy Park Estate Limited	3,425,162	3,498,845	3,425,162	3,498,845
	<u>9,571,297</u>	<u>7,560,975</u>	<u>9,571,297</u>	<u>7,560,975</u>

(c) Expenses

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Insurance Expense				
Indies Insurance Company Limited	<u>-</u>	<u>-</u>	<u>251,895</u>	<u>244,103</u>
Interest expense				
Seville Development Corporation Limited	<u>378</u>	<u>357</u>	<u>378</u>	<u>357</u>
Rebates				
Convenient Brands Limited	<u>1,731</u>	<u>1,019</u>	<u>1,731</u>	<u>1,019</u>

(d) Expenses

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Royalties				
Trade Winds Citrus Limited	<u>26,267</u>	<u>22,406</u>	<u>26,267</u>	<u>22,406</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

13. Related Party Transactions and Balances (Continued)

(e) Income

	The Group and Company	
	2022	2021
	\$'000	\$'000
Interest Income		
JP Snacks Caribbean Limited	5,705	5,638
Antillean Foods Inc.	1,045	-
	<u>6,750</u>	<u>5,638</u>
Management Fees		
Convenient Brands Limited	10,229	7,314
	<u>10,229</u>	<u>7,314</u>
Rental Income		
Worthy Park Estates Limited	26,840	25,654
	<u>26,840</u>	<u>25,654</u>

(f) Year-end balances

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Receivables (Note 21)				
Receivables from affiliates -				
Convenient Brands Limited	76,306	182,319	76,306	182,319
Trade Winds Citrus Limited	20,276	33,509	20,276	33,509
JP Snacks Caribbean Limited	20,920	19,337	20,920	19,337
Worthy Park Estates Limited	5,527	3,661	5,527	3,661
Other affiliates	258	383	258	383
Receivable from parent company	-	5	-	5
Included in receivables and prepayments	<u>123,287</u>	<u>239,214</u>	<u>123,287</u>	<u>239,214</u>
Long term receivable from associate				
Antillean Foods Inc (Note 18)	14,749	19,225	14,749	19,225
JP Snacks Caribbean Limited (Note 18)	197,974	186,460	197,974	186,460
	<u>212,723</u>	<u>205,685</u>	<u>212,723</u>	<u>205,685</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

13. Related Party Transactions and Balances (Continued)

(f) Year-end balances (continued)

	The Group and Company	
	2022	2021
	\$'000	\$'000
Payables (Note 23)		
Payables to affiliate -		
Convenient Brands Limited	4,307	7,943
Seville Development Corporation Limited	28,912	29,045
Trade Winds Citrus Limited	600,043	358,068
Worthy Park Estates Limited	350,298	266,804
	<u>983,560</u>	<u>661,860</u>
Payable to associate		
Antillean Foods Inc	47,327	12,289
Included in trade and other payables	<u>1,030,887</u>	<u>674,149</u>

(g) Key management compensation

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Salaries and other short-term employee benefits	511,372	407,504	511,372	407,504
Statutory contributions	32,811	27,218	32,811	27,218
Pension benefits	25,795	24,468	25,795	24,468
	<u>569,978</u>	<u>459,190</u>	<u>569,978</u>	<u>459,190</u>
Directors' emoluments –				
Management remuneration (included above)	341,583	253,137	341,583	253,137
Fees	18,420	13,261	17,060	12,820

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

13. Related Party Transactions and Balances (Continued)

(h) Dividends declared

	The Group and Company	
	2022	2021
	\$'000	\$'000
Parent company	1,110,473	832,855
Key management	28,652	19,646
	<u>1,139,125</u>	<u>852,501</u>

Included in dividends declared are dividends accrued as noted below

Dividends accrued

	The Group and Company	
	2022	2021
	\$'000	\$'000
Parent company	555,237	555,237
Key management	14,049	13,073
	<u>569,286</u>	<u>568,310</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

14. 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 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)	-
Transfers to intangible assets (Note 15)	-	-	-	-	-	(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
Additions	25,023	157,080	77,220	54,863	212,529	110,137	636,852
Transfers	158,925	132,863	-	-	-	(291,788)	-
Adjustment	(8,160)	(18,854)	-	(14,754)	-	(7,352)	(49,120)
Disposals	-	-	(22,248)	-	-	-	(22,248)
At 30 June 2022	4,075,202	7,957,759	1,065,166	65,234	452,556	138,807	13,754,724
Depreciation -							
At 1 July 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
Charge for the year	115,257	615,793	117,580	7,451	115,522	-	971,603
Relieved on disposal	-	-	(22,248)	-	-	-	(22,248)
Adjustments	-	(15,036)	-	(14,755)	-	-	(29,791)
At 30 June 2022	850,692	5,537,532	795,926	11,801	281,949	-	7,477,900
Net Book Value -							
30 June 2022	3,224,510	2,420,227	269,240	53,433	170,607	138,807	6,276,824
30 June 2021	3,163,979	2,749,895	309,600	6,020	73,600	327,810	6,630,904

The categorisation of right-of-use assets is detailed in Note 25.

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

15. Intangible Assets

	The Group and Company
	Computer Software
	\$'000
Cost -	
At 1 July 2020	180,246
Transfer from property, plant and equipment	6,086
Additions	<u>3,849</u>
At 30 June 2021 and 30 June 2022	<u>190,181</u>
Amortisation -	
At 1 July 2020	148,084
Charge for the year	<u>23,850</u>
At 1 July 2021	171,934
Charge for the year	<u>11,336</u>
At 30 June 2022	<u>183,270</u>
Net Book Amount	
30 June 2022	<u>6,911</u>
30 June 2021	<u>18,247</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

16. Investment in Subsidiaries

	<u>The Company</u>	
	2022	2021
	\$'000	\$'000
Indies Insurance Company – 100% 50,000 Ordinary shares, fully paid	<u>11,375</u>	<u>11,375</u>

17. Investment in Associate

	<u>The Group</u>		<u>The Company</u>	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
At beginning of year	580,181	604,267	586,169	586,169
Amounts recognised in other comprehensive income	18,504	5,636	-	-
Amounts recognised in profit and loss	<u>(28,124)</u>	<u>(29,722)</u>	<u>-</u>	<u>-</u>
Amounts recognised in the statement of financial position	<u>570,561</u>	<u>580,181</u>	<u>586,169</u>	<u>586,169</u>

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 tropical snacks.

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 2022 (expressed in Jamaican dollars unless otherwise indicated)

17. 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 2022 is as follows:

Summarised statement of financial position

	2022 \$'000	2021 \$'000
Current		
Cash and cash equivalents	25,610	71,357
Other current assets (excluding cash)	440,910	454,467
Total current net assets	466,520	525,824
Other current liabilities (including trade payables)	216,572	223,134
Total current liabilities	216,572	223,134
Non-current		
Intangible assets	465,375	508,037
Total non-current assets	864,306	879,736
Total non-current liabilities	671,024	674,866
Net assets	443,230	507,562

Summarised income statement

	Group 2022 \$'000	Group 2021 \$'000
Revenue	1,649,308	1,456,742
Depreciation	(74,475)	(82,203)
Amortisation	(60,246)	(57,744)
Interest expense	(20,295)	(24,943)
Loss before income tax	(93,746)	(97,361)
Taxation expense	-	(1,712)
Loss after tax	(93,746)	(99,073)
Total comprehensive income	(32,064)	(80,288)

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

17. Investment in Associates (Continued)

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

	2022	2021
	\$'000	\$'000
Summarised financial information		
Opening net assets	507,562	587,850
Loss for the period	(93,746)	(99,073)
Other comprehensive income for the period	61,681	18,785
Closing net assets	<u>475,497</u>	<u>507,562</u>
Interest in associates (%)	30%	30%
Interest in associates (J\$)	142,649	152,269
Carrying value	<u>570,561</u>	<u>580,181</u>

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

	The Group	
	2022	2021
	\$'000	\$'000
Share of net assets	142,649	152,269
Goodwill	427,912	427,912
Carrying value	<u>570,561</u>	<u>580,181</u>

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 2022. 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	
	2022	2021
Pre-tax discount rate	13%	12%
Terminal value growth rate	3%	3%
Gross profit margin	<u>33%</u>	<u>38%</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

17. Investment in Associate (Continued)

If the terminal value growth rate had been 2.4% 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 1.5% 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 4.7% lower than management's estimates, the carrying value of the investment in JP Snacks Caribbean Limited would have been equal to the recoverable amount.

18. Loans Receivable

A promissory note of US\$1,230,555 was issued to JP Snacks Caribbean Limited on 29 April 2019. 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 \$197,974,000 (2021 - \$186,460,000) includes interest receivable of \$13,969,000 (2021 - 8,115,000).

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 \$14,749,000 (2021- \$19,225,000) includes interest receivable of \$146,000 (2021 - \$94,000).

19. Investment Securities

	The Group and Company	
	2022	2021
	\$'000	\$'000
Equity investment securities measured at fair value through other comprehensive income:		
Quoted	173,414	58,713
	<u>173,414</u>	<u>58,713</u>
Debt investment securities measured at amortised cost:		
Corporate bonds	1,538,707	984,954
	<u>1,538,707</u>	<u>984,954</u>
Total investment securities	<u><u>1,712,121</u></u>	<u><u>1,043,667</u></u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

19. Investment Securities (Continued)

	The Group and Company	
	2022	2021
	\$'000	\$'000
At beginning of year	1,043,667	578,520
Additions	640,367	768,075
Disposals	(72,715)	(323,317)
Foreign exchange (loss)/gain	(13,899)	9,027
Fair value gains recognized in other reserves	114,701	11,362
	<u>1,712,121</u>	<u>1,043,667</u>
Current portion	<u>(641,526)</u>	<u>(402,827)</u>
Non-current portion	<u>1,070,595</u>	<u>640,840</u>

20. Inventories

	The Group and Company	
	2022	2021
	\$'000	\$'000
Raw materials	1,574,474	953,736
Finished goods	141,610	124,946
Merchandise for resale	2,247,446	1,651,287
	<u>3,963,530</u>	<u>2,729,969</u>
Less: Provision for obsolete inventories	<u>(31,666)</u>	<u>(11,476)</u>
	<u>3,931,864</u>	<u>2,718,493</u>
Goods-in-transit	1,483,475	872,625
	<u>5,415,339</u>	<u>3,591,118</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

21. Receivables and prepayments

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade receivables	2,949,110	2,082,145	2,949,110	2,082,145
Less: Provision for doubtful debts	(34,026)	(39,965)	(34,026)	(39,965)
Trade receivables, net	2,915,084	2,042,180	2,915,084	2,042,180
Prepayments	52,187	77,400	52,172	77,382
Receivables from related parties (Note 13(f))	123,287	239,214	123,287	239,214
Principal receivables	142,312	117,376	142,312	117,376
Deposits on fixed assets	604,964	16,427	604,964	16,427
Other receivables	179,763	142,452	150,913	111,834
	<u>4,017,597</u>	<u>2,635,049</u>	<u>3,988,732</u>	<u>2,604,413</u>

22. Cash and Cash Equivalents

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances	2,183,501	2,450,213	1,928,889	2,268,087
Short-term deposits	5,496,235	5,210,790	5,496,235	5,210,790
	<u>7,679,736</u>	<u>7,661,003</u>	<u>7,425,124</u>	<u>7,478,877</u>
Bank overdrafts (Note 24)	(97,372)	(103,501)	(97,372)	(103,501)
Balances with maturity dates over 3 months	-	(291,935)	-	(291,935)
	<u>7,582,364</u>	<u>7,265,567</u>	<u>7,327,752</u>	<u>7,083,441</u>

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

	2022	2021
	%	%
Short-term deposits –		
J\$	4.13	3.20
US\$	<u>4.88</u>	<u>3.44</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

23. Payables

	The Group		The Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade payables	3,068,564	2,082,876	3,041,145	2,082,876
Statutory contributions payable	80,570	75,482	80,570	75,482
Dividend payable (Note 33)	750,825	750,000	750,825	750,000
Accrued expenses	577,126	537,551	472,534	537,551
Payables to related parties (Note 13 (f))	1,030,887	674,149	1,030,887	674,149
Other payables	490,444	470,272	595,036	448,489
	<u>5,998,416</u>	<u>4,590,330</u>	<u>5,970,997</u>	<u>4,568,547</u>

24. Borrowings

(a) Composition of borrowings

	The Group and Company	
	2022	2021
	\$'000	\$'000
Total borrowings -		
Bank loans -		
Long term	1,304,003	1,973,259
Bank overdraft	97,372	103,501
	<u>1,401,375</u>	<u>2,076,760</u>
Current -		
Bank overdraft (Note 22)	(97,372)	(103,501)
Current portion of long-term loans	(661,950)	(661,950)
Total current borrowings	<u>(759,322)</u>	<u>(765,451)</u>
Non-current borrowings	<u>642,053</u>	<u>1,311,309</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

24. Borrowings (Continued)

(a) Composition of borrowings (continued)

	<u>The Group and Company</u>	
	2022	2021
	\$'000	\$'000
Non-current -		
(i) Bank of Nova Scotia (6% - 2023)	217,500	362,500
(ii) National Commercial Bank (6.18% -2023)	456,000	760,000
(iii) Bank of Nova Scotia (5.65%, 2024)	282,957	424,423
(iv) National Commercial Bank (5.5% -2027)	347,546	426,336
	<u>1,304,003</u>	<u>1,973,259</u>
Less: Current portion	(661,950)	(661,950)
	<u>642,053</u>	<u>1,311,309</u>

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 \$543,000 (2021 - \$827,000).
- (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 \$2,054,000 (2021 - \$2,464,000).

Loan balance includes commitment fee of \$8,000,000 paid for BNS loan not yet disbursed.

The Group and Company have in place a \$170 million credit card facility with National Commercial Bank.

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

24. 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	
	2022	2021
	%	%
Current -		
Bank overdraft	17.75 - 35.00	17.75 - 35.00
Bank borrowings	<u>5.50 - 6.18</u>	<u>5.50 - 6.18</u>
Non-current -		
Bank borrowings	<u>5.50 - 6.18</u>	<u>5.65 - 6.18</u>

25. 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 2022 \$'000	1 July 2021 \$'000
Right-of-use assets		
Land and buildings (Note 14)	<u>170,607</u>	<u>73,600</u>
Lease liabilities		
Current	63,115	80,292
Non-current	<u>104,913</u>	<u>-</u>
	<u>168,028</u>	<u>80,292</u>

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

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

25. Leases (Continued)

(b) Lease liabilities

	The Group and Company
	\$'000
1 July 2020	119,118
Additions	57,754
Lease payments	(112,743)
Interest expense	8,319
Foreign exchange translation	7,844
1 July 2021	80,292
Additions	207,493
Lease payments	(131,913)
Interest expense	8,725
Foreign exchange translation	3,431
30 June 2022	<u>168,028</u>

Income arising from the sub-lease of right-of-use assets to a related party amounted to \$26,840,000 (2021 - \$23,266,000) (Notes 6 and 13).

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

Included in profit or loss are the following amounts relating to right-of-use assets and lease liabilities:

	The Group and Company	
	2022	2021
	\$'000	\$'000
Depreciation charge on right-of-use assets Land and buildings (Note 14)	<u>115,522</u>	<u>92,641</u>
Interest expense	<u>8,725</u>	<u>8,319</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

26. Share Capital

	2022 \$'000	2021 \$'000
Authorised – 4,000,000,000 (2021 – 4,000,000,000) Ordinary stock units		
Issued and fully paid – 3,756,250,000 (2021 – 3,750,000,000) Ordinary stock units at no par value	<u>1,258,319</u>	<u>1,192,647</u>

An additional 6,250,000 ordinary stock units were listed on the Jamaica Stock Exchange on July 1, 2021, increasing the Group's total issued ordinary stock units to 3,756,250,000. Of the 6,250,000 additional stock units 2,125,000 were retained by the Group as Treasury stock units.

27. Other Reserves

	<u>The Group and Company</u>	
	2022 \$'000	2021 \$'000
Realised gains	24,998	24,998
Unrealised surplus on revaluation of land and buildings	72,740	72,740
LTIP payments, net of taxes	240,933	209,543
Fair value gains on financial instruments – fair value through other comprehensive income	<u>176,459</u>	<u>61,758</u>
	<u>515,130</u>	<u>369,039</u>

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.

Long Term Incentive Plan payments

The LTIP payments reserve is used to recognise the grant date fair value of options issued to employees but not exercised under the Group's LTIP (Note 35).

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

28. Translation Reserve

The translation reserve represents an accumulation 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.

29. Net Profit/Retained Earnings

	The Group	
	2022	2021
	\$'000	\$'000
At beginning of the year	13,432,757	11,485,457
Net profit attributable to:		
Company	4,015,795	3,036,326
Subsidiary	66,012	65,696
Associate	(28,124)	(29,722)
	<u>4,053,683</u>	<u>3,072,300</u>
Dividends	(1,501,218)	(1,125,000)
At end of the year	<u><u>15,985,222</u></u>	<u><u>13,432,757</u></u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

30. 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	
	2022	2021
	\$'000	\$'000
At the beginning of the year	99,966	155,647
Credited to profit or loss (Note 11)	(51,421)	(33,852)
Credited to equity	(14,660)	(21,829)
At end of the year	<u>33,885</u>	<u>99,966</u>

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	Leases	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2020	172,380	20,683	-	-	193,063
Credited to profit or loss	(32,055)	(2,328)	2,052	-	(32,331)
At 30 June 2021	140,325	18,355	2,052	-	160,732
Credited to profit or loss	(16,228)	(5,919)	1,476	644	(20,027)
At 30 June 2022	<u>124,097</u>	<u>12,436</u>	<u>3,528</u>	<u>644</u>	<u>140,705</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

30. Deferred Income Taxes (Continued)

Deferred tax assets

	Accrued vacation \$'000	Employee share option scheme	Unrealised Foreign exchange losses \$'000	Interest payable \$'000	Total \$'000
At 1 July 2020	10,143	20,080	5,909	1,284	37,416
Credited 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
Credited to profit or loss	3,675	-	28,063	(344)	31,394
Credited to equity	-	14,660	-	-	14,660
At 30 June 2022	13,491	56,569	36,163	597	106,820

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

30. 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:

	<u>The Group and Company</u>	
	2022	2021
	\$'000	\$'000
Deferred tax assets to be recovered	<u>56,569</u>	<u>41,909</u>
Deferred tax liabilities to be settled	<u>124,097</u>	<u>140,325</u>

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

	<u>The Group and Company</u>	
	2022	2021
	\$'000	\$'000
Deferred tax liabilities	<u>(33,885)</u>	<u>(99,966)</u>
At end of the year	<u>(33,885)</u>	<u>(99,966)</u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

31. Cash Provided by Operating Activities

Cash provided by operating activities includes the following amounts:

	The Group		The Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net profit	4,053,683	3,072,300	4,015,795	3,036,326
Items not affecting cash:				
Share of results of associates (Note 17)	28,124	29,722	-	-
Depreciation (Note 14)	971,603	1,071,016	971,603	1,071,016
Amortisation (Note 15)	11,336	23,850	11,336	23,850
Amortisation of loan commitment fees	694	671	694	671
Non-cash employee benefits expense – LTIP payments (Note 8)	31,406	87,314	31,406	87,314
Gain on sale of property, plant and equipment	(5,466)	(901)	(5,466)	(901)
Interest income (Note 9)	(300,665)	(192,835)	(300,665)	(192,835)
Gain on sale of investment (Note 9)	-	(1,840)	-	(1,840)
Adjustment to property, plant and equipment (Note 14)	19,329	29,872	19,329	29,872
Dividend income (Note 9)	(593)	(859)	(593)	(859)
Interest expense (Note 10)	108,779	145,819	108,779	145,819
Taxation expense (Note 11)	940,769	730,655	940,769	729,996
Exchange (loss)/gain on foreign currency balances	50,038	(52,716)	49,468	(58,809)
	<u>5,909,037</u>	<u>4,942,068</u>	<u>5,842,455</u>	<u>4,869,620</u>
Changes in operating assets and liabilities:				
Inventories	(1,824,221)	(274,358)	(1,824,221)	(274,358)
Receivables and prepayments	(1,382,548)	(106,675)	(1,384,319)	(77,764)
Trade and other payables	1,408,086	840,171	1,402,450	827,130
Cash generated from operations	<u>4,110,354</u>	<u>5,401,206</u>	<u>4,036,365</u>	<u>5,344,628</u>
Taxation paid	(1,001,905)	(737,646)	(1,000,402)	(736,657)
Cash provided by operating activities	<u><u>3,108,449</u></u>	<u><u>4,663,560</u></u>	<u><u>3,035,963</u></u>	<u><u>4,607,971</u></u>

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

31. 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	
	2022	2021
	\$'000	\$'000
At 30 June 2021	1,973,259	2,137,413
Loans received	-	500,000
Commitment fees paid	(8,000)	(2,875)
Loans repaid	(661,950)	(661,950)
Amortisation of commitment fees	694	671
At 30 June 2022	1,304,003	1,973,259

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

32. 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 is noted below for the Group and the Company.

	The Group and Company	
	2022	2021
	\$'000	\$'000
Pension contributions (Note 8)	169,672	158,815
	169,672	158,815

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

33. Dividends

	2022	2021
	\$'000	\$'000
10 cents per stock unit - 25 February 2022	-	375,000
20 cents per stock unit - 5 August 2021 (declared on 28 June 2021)	156	750,000
20 cents per stock unit - 1 March 2022	750,237	-
20 cents per stock unit - 4 August 2022(declared on 27 June 2022)	750,825	-
	<u>1,501,218</u>	<u>1,125,000</u>

34. Segment Reporting

The CODM regularly reviews local versus export sales, however, the local and 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 and liabilities on a segment basis.

35. Long Term Incentive Plan

On October 1, 2019, the Company established an Long Term Incentive Plan 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 stock unit. The exercise price of options is determined by the Corporate Governance and Compensation Committee.

Notes to the Financial Statements

30 June 2022 (expressed in Jamaican dollars unless otherwise indicated)

35. Long Term Incentive Plan (Continued)

Options granted under the plan during the financial year 2022 are as follows:

	Average exercise price per option \$	Number of options
As at 1 July 2020	15.62	23,644,000
Forfeited during the year	15.62	<u>(1,170,200)</u>
As at 30 June 2021	15.62	22,473,800
Granted during the year	14.06	25,594,000
Exercised during the year	11.94	(4,125,150)
Forfeited during the year	15.23	<u>(2,927,400)</u>
As at 30 June 2022	15.23	<u><u>41,015,250</u></u>

The number of options vested and exercisable at the year-end is 15,613,250 (2021 – 11,255,800).

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 2022	Share options 30 June 2021
1 Oct 2019	1 April 2024	7.87	390,800	2,281,400
1 Oct 2019	1 April 2024	16.00	5,521,450	8,974,400
1 Oct 2019	1 April 2025	23.00	9,701,000	11,218,000
1 Apr 2022	1 April 2027	14.06	25,402,000	-
Total			<u><u>41,015,250</u></u>	<u><u>22,473,800</u></u>



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 16th 2023 at 10:00 A.M. and at any adjournment thereof.

SIGNED this _____ day of _____ 202__

SIGNATURE of Shareholder: _____

RESOLUTIONS	FOR	AGAINST
1		
2		
3 (a)		
3 (b)		
4		
5		

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



JAMAICA, A NATION BUILT ON EXCELLENCE, HAS UNDOUBTEDLY LEFT AN INDELIBLE MARK ON THE WORLD. THE ABILITY TO MAKE SUCH AN IMPACT COMES AS A DIRECT RESULT OF THE PRIDE, RESILIENCE AND DEDICATION OF ITS PEOPLE. THE MOMENTS OF HIGHS AND LOWS ARE COLLECTIVELY CELEBRATED AND REFLECTED, WITH THE SOLE AIM OF IMPROVING AS A NATION. IT IS WITH THIS OBJECTIVE IN MIND THAT WISYNCO, A PROUD JAMAICAN MANUFACTURER AND DISTRIBUTOR, CONTINUES TO PURSUE ITS GOALS OF STRENGTHENING BRAND JAMAICA AND THE FUTURE OF OUR ECONOMY.

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