



INTERIM REPORT



29 OCTOBER 2022

[Q2]

QUARTER TWO



SECOND QUARTER REPORT

2022 / 2023 FISCAL YEAR | SIX MONTHS | UNAUDITED RESULTS

[Q2]

INTERIM REPORT TO OUR SHAREHOLDERS

The Directors of Jamaica Broilers Group Limited now release the unaudited financial results for the quarter ended October 29, 2022 which have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Group produced a net profit of \$842 million, for the quarter ended October 29, 2022. The net profit from continuing operations for the quarter was \$1.88 billion and the loss from discontinued operations was \$1.04 billion. The loss from discontinued operations arose following our decision to permanently cease all operations of JBG's subsidiary Haiti Broilers S.A. and its subsidiary T&S Rice S.A., effective October 29, 2022.

Quarterly Group revenues amounted to \$22.9 billion, while gross profit was \$5.8 billion.

Jamaica Operations reported a segment result of \$3.5 billion in the six months ended October 29, 2022. Total revenue for our Jamaica Operations

was \$28.3 billion. This revenue growth over the prior year six-month period was primarily driven by increased production and sale of poultry, as well as increased sale of baby chicks to our small farmers. The reopening of the Jamaica economy particularly the tourism industry has contributed to the increased demand driving sales.

Our US Operations reported a segment result of \$1.8 billion, which was \$625 million or 53% over the \$1.2 billion achieved in the six months ended October 30, 2021. Total revenue for the US Operations was \$20.4 billion. This revenue growth over the prior year six-month period was primarily driven by the increased production and sales in the Best Dressed Chicken line of products.

The Staff, Management and the Board of Directors of Jamaica Broilers Group Limited continue to trust in the Lord's guidance for our company and are grateful for His Blessings and Provision.

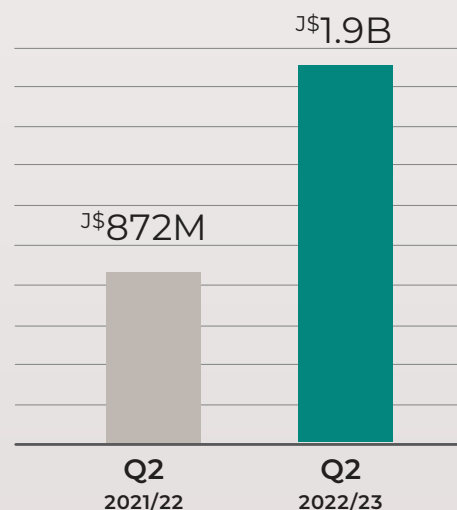

ROBERT E. LEVY
Chairman


CHRISTOPHER E. LEVY
Group President & CEO

YEAR TO DATE PERFORMANCE HIGHLIGHTS (UNAUDITED)

J\$1.9B NET PROFIT	J\$46B REVENUE
J\$66B TOTAL ASSETS	J\$2.06 EARNINGS PER STOCK UNIT

YEAR TO DATE NET PROFIT (UNAUDITED)



GROUP STATEMENT OF COMPREHENSIVE INCOME

SIX MONTHS ENDED 29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	Quarter ended	Quarter ended	Six months ended	Six months ended
	29 October 2022 \$'000	30 October 2021 \$'000	29 October 2022 \$'000	30 October 2021 \$'000
Continuing operations				
Revenue	22,943,274	17,898,845	45,840,769	35,081,661
Cost of sales	(17,190,384)	(14,155,630)	(34,745,372)	(27,812,690)
Gross Profit	5,752,890	3,743,215	11,095,397	7,268,971
Other income	187,266	12,114	265,080	162,705
Distribution costs	(748,481)	(588,274)	(1,437,881)	(1,214,651)
Administration and other expenses	(2,547,726)	(2,280,709)	(5,475,962)	(4,503,334)
Operating Profit	2,643,949	886,346	4,446,634	1,713,691
Finance income	3,700	17,320	4,478	17,320
Finance costs	(423,515)	(205,841)	(756,491)	(535,813)
Profit before Taxation	2,224,134	697,825	3,694,621	1,195,198
Taxation	(339,335)	(130,811)	(671,245)	(250,451)
Net Profit from continuing operations	1,884,799	567,014	3,023,376	944,747
Discontinued operations				
(Loss)/profit from discontinued operations	(1,042,331)	29,010	(1,112,004)	(73,245)
Net Profit	842,468	596,024	1,911,372	871,502
Other Comprehensive Income, net of taxes -				
Item that will be reclassified to profit or loss -				
Exchange differences on translating foreign continuing operations	30,559	10,553	(85,342)	87,731
Exchange differences on translating foreign discontinued operations	563,214	(101,935)	529,964	(222,300)
Total other comprehensive income	593,773	(91,382)	444,622	(134,569)
Total Comprehensive Income	1,436,241	504,642	2,355,994	736,933
Net Profit Attributable to:				
Stockholders of the company	992,986	591,812	2,072,007	882,137
Non-controlling interests	(150,518)	4,212	(160,635)	(10,635)
	842,468	596,024	1,911,372	871,502
Net Profit from continuing operations:				
Stockholders of the company	1,884,799	567,014	3,023,376	944,747
Non-controlling interests	-	-	-	-
	1,884,799	567,014	3,023,376	944,747

GROUP STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

SIX MONTHS ENDED 29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	Quarter ended	Quarter ended	Six months ended	Six months ended
	29 October 2022	30 October 2021	29 October 2022	30 October 2021
	\$'000	\$'000	\$'000	\$'000
Net (Loss)/Profit from discontinued operations:				
Stockholders of the company	(891,813)	24,798	(951,369)	(62,610)
Non-controlling interests	(150,518)	4,212	(160,635)	(10,635)
	<u>(1,042,331)</u>	<u>29,010</u>	<u>(1,112,004)</u>	<u>(73,245)</u>
Total Comprehensive Income Attributable to:				
Stockholders of the company	1,521,168	515,231	2,455,866	779,846
Non-controlling interests	(84,927)	(10,589)	(99,872)	(42,913)
	<u>1,436,241</u>	<u>504,642</u>	<u>2,355,994</u>	<u>736,933</u>
Total Comprehensive Income Attributable to:				
Continuing operations	1,049,331	577,567	2,072,007	1,032,478
Discontinued operations	471,837	(62,336)	383,859	(252,632)
	<u>1,521,168</u>	<u>515,231</u>	<u>2,455,866</u>	<u>779,846</u>
Earnings per Stock Unit	\$	\$	\$	\$
From continuing operations	1.87	0.56	3.00	0.94
From discontinued operations	(0.88)	0.03	(0.94)	(0.06)
	<u>0.99</u>	<u>0.59</u>	<u>2.06</u>	<u>0.88</u>

GROUP BALANCE SHEET

29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	29 October 2022 \$'000 Unaudited	30 April 2022 \$'000 Audited	30 October 2021 \$'000 Unaudited
Non-Current Assets			
Property, plant and equipment	16,436,510	14,636,077	13,792,744
Right of use assets	934,672	1,031,035	936,800
Intangible assets	2,836,210	2,950,124	2,847,026
Investment property	5,564	5,648	5,731
Investments	280,563	307,105	264,676
Deferred expenditure	-	-	9,105
Deferred income taxes	84,236	84,522	68,982
Post-employment benefit assets	818,500	818,500	993,500
	<u>21,396,255</u>	<u>19,833,011</u>	<u>18,918,564</u>
Current Assets			
Inventories	18,042,405	15,620,265	12,474,043
Biological assets	16,700,696	15,225,043	11,911,982
Receivables	6,109,415	5,380,105	5,773,483
Taxation recoverable	24,912	19,466	20,863
Deferred expenditure	9,105	18,210	18,210
Financial assets at fair value through profit or loss	167,960	170,003	188,862
Cash and short-term investments	3,855,368	3,778,551	4,540,580
	<u>44,909,861</u>	<u>40,211,643</u>	<u>34,928,023</u>
Current Liabilities			
Payables	12,399,347	12,701,305	9,598,969
Dividend payable	431,739	-	179,891
Taxation payable	1,508,342	782,860	449,182
Borrowings	15,117,562	13,235,115	13,249,539
Lease liabilities	421,662	298,563	358,672
	<u>29,878,652</u>	<u>27,017,843</u>	<u>23,836,253</u>
Net Current Assets	<u>15,031,209</u>	<u>13,193,800</u>	<u>11,091,770</u>
	<u>36,427,464</u>	<u>33,026,811</u>	<u>30,010,334</u>
Stockholders' Equity			
Share capital	765,137	765,137	765,137
Reserves	2,846,792	2,307,340	2,401,701
Retained earnings	23,232,679	21,747,180	19,867,270
Shares held by Trust	(3,742,633)	(3,742,633)	(3,713,144)
	<u>23,101,975</u>	<u>21,077,024</u>	<u>19,320,964</u>
Non-controlling interests	-	100,696	155,790
	<u>23,101,975</u>	<u>21,177,720</u>	<u>19,476,754</u>
Non-Current Liabilities			
Borrowings	11,479,157	9,626,745	8,711,684
Lease liabilities	488,909	716,926	630,657
Deferred income taxes	1,344,823	1,492,820	1,171,039
Post-employment benefit obligations	12,600	12,600	20,200
	<u>36,427,464</u>	<u>33,026,811</u>	<u>30,010,334</u>


Robert E. Levy Chairman


Christopher E. Levy Group President & CEO

7 December 2022



GROUP STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

SIX MONTHS ENDED 29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	Attributable to the Company's Stockholders						
	Number of Shares	Share Capital	Reserves	Retained Earnings	Shares held by Trust	Non- controlling Interests	Total Equity
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 May 2021	1,007,966	765,137	2,503,992	19,165,024	(3,713,144)	198,703	18,919,712
Exchange differences on translating foreign operations	-	-	(102,291)	-	-	(32,278)	(134,569)
Total other comprehensive income	-	-	(102,291)	-	-	(32,278)	(134,569)
Net profit	-	-	-	882,137	-	(10,635)	871,502
Total comprehensive income	-	-	(102,291)	882,137	-	(42,913)	736,933
Dividends	-	-	-	(179,891)	-	-	(179,891)
Movement during the period	-	-	(102,291)	702,246	-	(42,913)	557,042
Balance at 30 October 2021	1,007,966	765,137	2,401,701	19,867,270	(3,713,144)	155,790	19,476,754
Balance at 30 April 2022	1,006,966	765,137	2,307,340	21,747,180	(3,742,633)	100,696	21,177,720
Exchange differences on translating foreign operations	-	-	383,859	-	-	60,763	444,622
Total other comprehensive income	-	-	383,859	-	-	60,763	444,622
Net profit	-	-	-	2,072,007	-	(160,635)	1,911,372
Total comprehensive income	-	-	383,859	2,072,007	-	(99,872)	2,355,994
Dividends	-	-	-	(431,739)	-	-	(431,739)
Transfer to capital reserve	-	-	155,593	(155,593)	-	-	-
Transfer to retained earnings	-	-	-	824	-	(824)	-
Transactions with owners	-	-	155,593	(586,508)	-	(824)	(431,739)
Movement during the period	-	-	539,452	1,485,499	-	(100,696)	1,924,255
Balance at 29 October 2022	1,006,966	765,137	2,846,792	23,232,679	(3,742,633)	-	23,101,975

GROUP STATEMENT OF CASH FLOWS
SIX MONTHS ENDED 29 OCTOBER 2022
(Expressed in Jamaican dollars unless otherwise indicated)

	Six months ended 29 October 2022 \$'000	Six months ended 30 October 2021 \$'000
Cash Flows from Operating Activities		
Net profit	1,911,372	871,502
Adjustments for:		
Depreciation	864,463	753,783
Amortisation	148,958	155,060
Deferred expenditure	32,613	9,105
Gain on disposal of property, plant and equipment	(101,184)	(1,332)
Loss on disposal of subsidiary	1,040,877	-
Fair value losses/(gains) on financial assets at fair value through profit or loss	22,922	(11,545)
Taxation expense	671,245	250,451
Interest income	(12,238)	(21,467)
Unrealised foreign exchange losses/(gains)	24,875	(13,097)
Interest expense	746,935	507,459
	5,350,838	2,499,919
Changes in operating assets and liabilities:		
Inventories	(2,553,428)	431,707
Biological assets	(1,550,304)	(484,917)
Receivables	(811,781)	(1,252,188)
Payables	(181,341)	(72,682)
Financial assets at fair value through profit or loss	(1,511)	(1,547)
Translation on working capital of foreign subsidiaries	(120,493)	(11,470)
	131,980	1,108,822
Taxation paid	(94,936)	(197,989)
Cash provided by operating activities carried forward	37,044	910,833

GROUP STATEMENT OF CASH FLOWS (CONTINUED)

SIX MONTHS ENDED 29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	Six months ended 29 October 2022 \$'000	Six months ended 30 October 2021 \$'000
Cash Flows provided by Operating Activities	37,044	910,833
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(2,949,278)	(1,149,166)
Purchase of intangible assets	(48,920)	(304,049)
Proceeds from sale of investments	3,552	232,000
Purchase of investments	(992)	-
Proceeds from disposal of property, plant and equipment	178,265	22,668
Interest received	13,914	24,673
Cash used in investing activities	(2,803,459)	(1,173,874)
Cash Flows from Financing Activities		
Long term loans repaid	(12,833,627)	(766,447)
Long term loans received	16,591,179	2,766,305
Lease repayments	(178,514)	(137,669)
Interest paid	(741,178)	(508,977)
Cash provided by financing activities	2,837,860	1,353,212
Effect of changes in exchange rates on cash and cash equivalents	(19,932)	29,090
Increase in cash and cash equivalents	51,513	1,119,261
Cash and cash equivalents at beginning of year	3,778,119	3,221,660
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,829,632	4,340,921

SEGMENT REPORTING INFORMATION
SIX MONTHS ENDED 29 OCTOBER 2022
(Expressed in Jamaican dollars unless otherwise indicated)

6 Months to 29 October 2022

	Jamaica Operations	US Operations	Haiti Operations	Other Caribbean Operations	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenues	28,180,792	17,659,977	-	-	-	45,840,769
Revenue from other segments	98,743	2,754,347	-	378,175	(3,231,265)	-
Total revenue	28,279,535	20,414,324	-	378,175	(3,231,265)	45,840,769
Segment result	3,500,868	1,813,092	-	(28,894)	271,659	5,556,725
Unallocated corporate expenses						(1,110,091)
Operating profit						4,446,634
Finance income						4,478
Finance costs						(756,491)
Profit before tax						3,694,621
Taxation						(671,245)
Net profit from continuing operations						3,023,376
Loss from discontinued operations						(1,112,004)
Net profit						1,911,372
Segment assets -						
Current assets	24,957,340	37,017,735	-	1,400,510	(18,465,724)	44,909,861
Non-current assets	18,741,811	10,000,811	-	6,644,240	(13,990,607)	21,396,255
Total assets	43,699,151	47,018,546	-	8,044,750	(32,456,331)	66,306,116
Segment liabilities -						
Current liabilities	14,645,157	28,881,796	-	4,759,426	(18,407,727)	29,878,652
Non-current liabilities	12,448,302	3,063,569	-	1,449,201	(3,635,583)	13,325,489
Total liabilities	27,093,459	31,945,365	-	6,208,627	(22,043,310)	43,204,141

SEGMENT REPORTING INFORMATION (CONTINUED)

SIX MONTHS ENDED 29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

	6 Months to 30 October 2021					
	Jamaica Operations	US Operations	Haiti Operations	Other Caribbean Operations	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenues	20,439,639	14,642,022	-	-	-	35,081,661
Revenue from other segments	68,467	4,057,658	-	315,332	(4,441,457)	-
Total revenue	20,508,106	18,699,680	-	315,332	(4,441,457)	35,081,661
Segment result	1,530,389	1,188,229	-	583,615	(644,932)	2,657,301
Unallocated corporate expenses						(943,610)
Operating profit						1,713,691
Finance income						17,320
Finance costs						(535,813)
Profit before tax						1,195,198
Taxation						(250,451)
Net profit from continuing operations						944,747
Loss from discontinued operations						(73,245)
Net profit						871,502
Segment assets -						
Current assets	18,702,809	20,609,921	941,710	1,327,135	(6,653,552)	34,928,023
Non-current assets	18,670,062	7,630,809	641,934	7,314,507	(15,338,748)	18,918,564
Total assets	37,372,871	28,240,730	1,583,644	8,641,642	(21,992,300)	53,846,587
Segment liabilities -						
Current liabilities	14,288,532	13,361,420	641,991	2,198,028	(6,653,718)	23,836,253
Non-current liabilities	7,636,169	2,897,411	-	3,983,846	(3,983,846)	10,533,580
Total liabilities	21,924,701	16,258,831	641,991	6,181,874	(10,637,564)	34,369,833

NOTES TO THE INTERIM FINANCIAL STATEMENTS

29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

Accounting Periods

The company's financial year consists of 12 accounting periods ending on the Saturday closest to the calendar month end. The accounting year ends on the Saturday closest to April 30.

Basis of Preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention, as modified by the revaluation of biological assets and certain financial assets.

These financial statements are presented in Jamaican dollars unless otherwise indicated.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 30 April 2022.

Segmental Financial Information

Management has determined the operating segments based on the reports reviewed by the President and Chief Executive Officer that are used to make strategic decisions.

Segment information is provided for reportable segments as follows:

- Jamaica Operations
- US Operations
- Haiti Operations
- Other Caribbean Operations

The business is considered primarily from a geographical perspective.

Finance income and Finance costs are not included in the measure of segment results and are not regularly reviewed by the President and Chief Executive Officer.

The Other Caribbean Operations segment includes the net results of the JBGL Stockholders Nominee Limited (JBGLSNL), which represents the unrealised fair value of the Jamaica Broilers Group Limited shares. The results of JBGLSNL are not included in the consolidated financial statements as the movements are eliminated on consolidation.

The prior year statements of comprehensive income and segment report were restated to disclose the results of Haiti Broilers S.A. and its subsidiary as discontinued operations.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

29 OCTOBER 2022

(Expressed in Jamaican dollars unless otherwise indicated)

Discontinued Operations

Effective 29 October 2022, the operations of Haiti Broilers S.A. & its subsidiary T&S Rice S.A. were discontinued.

The financial performance is presented below:

	Six months ended 29 October 2022 \$'000	Six months ended 30 October 2021 \$'000
Revenue	83,973	745,665
Cost of sales	(119,810)	(665,332)
Gross Profit	(35,837)	80,333
Other income	1,476	91,679
Distribution costs	(399)	(7,553)
Administration and other expenses	(46,652)	(173,015)
Operating Loss	(81,412)	(8,556)
Finance costs	10,285	(64,689)
Loss before Taxation	(71,127)	(73,245)
Taxation	-	-
Net Loss of discontinued operations	(71,127)	(73,245)
Discontinued operations		
Loss on disposal of subsidiary	(1,040,877)	-
Loss from discontinued operations	(1,112,004)	(73,245)

	29 October 2022 \$'000
The carrying amounts of the assets and liabilities as at the date of the disposal were:	
Property plant and equipment	310,924
Receivables	82,471
Inventory	131,288
Biological assets	74,651
Total assets	599,334
Payables	(120,617)
Net assets	478,717
 Net assets	 478,717
Reclassification of foreign currency translation reserves	562,160
Loss on disposal of subsidiary	1,040,877