



**Wisynco Group Limited**  
**Interim Report (Unaudited)**  
**3rd Quarter ended**  
**31 March 2023**

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

The Directors are pleased to present the unaudited financial results for the third quarter ended March 31, 2023, which have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

Revenues for the quarter of \$12.0 billion represent an increase of 23.4% above the \$9.7 billion achieved in the corresponding quarter of the previous year and, notably, is the second continuous quarter that the company has recorded sales of \$12.0 billion. We have resolved some of the production challenges faced in the 2<sup>nd</sup> quarter and are seeing increased production to meet the increasing demand. The capital program mentioned below will contribute to bringing stability and expansion to our production capacity as demand in all channels continues to be favorable.

While the Gross Profit of \$4.1 billion of the current quarter is the same as the preceding quarter, this represents a 32.2% increase to the \$3.1 billion of the prior year's quarter. Similarly, Gross Profit Margin at 34.6% this quarter is higher than the 32.3% for the same quarter last year, but below our expectation due to production output being lower than projected which impacted our product mix.

Selling, Distribution & Administrative expenses (SD&A) for the quarter totaled \$2.7 billion or 30.0% more than the \$2.1 billion for the corresponding quarter of the prior year in line with increased growth and revenue. Our SD&A expense to sales ratio was 22.5% for the quarter, compared to 21.3% in the prior year. The increase can be attributed to additional Marketing and Promotional costs and inflationary increases in other variable expenses.

Profit before Taxation for the quarter was \$1.57 billion, an increase of 43% over the \$1.10 billion of the comparative quarter for the prior year.

After provision for taxes, Wisynco recorded Net Profits Attributable to Stockholders of \$1.2 billion, or 31c per stock unit for the quarter, which was 38.6% greater than the \$831 million or 22c per stock unit earned for the prior year.

Our Balance Sheet remains strong with a current ratio of 3.7 compared to 2.8 for last year's quarter. This improvement is due to an injection of funds from our borrowing facilities, partly offset by increases in our inventories, reduction in our payables, and purchases of capital assets per our expansion plan. Inventories remain on the high side as production output was lower than projected in January and February. Management expects these inventories to normalize within the next few months.

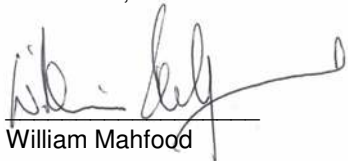
Capital expansion activities are well underway, the benefits of which should be realized midway through Fiscal Year 2024. We are excited and optimistic to be embarking on the largest capital expansion ever undertaken by Wisynco. The flexibility and increased output resulting from this expansion program will ensure we meet the current demands of local and export markets and pave the way for additional capacity for growth and future innovations in our varied product lines.

From a sustainability point of view, we continue to be a primary contributor financially, and in the areas of strategy and governance, to Recycle Partners of Jamaica (RPJ), an organization responsible for polyethylene terephthalate (PETE) recycling nationally. We are seeing improvements to the RPJ average collection rate and will continue efforts to support this organization in its mission to reduce plastic in the environment. Additionally, we continue to focus on areas of water and energy conservation in our own production and operational processes, as a means to reducing our impact on our environs.

Socially, we launched our WATA Wednesdays School Tour during the quarter, which is a program aimed at educating our youth on the benefits of staying healthy and hydrated. We also participated, through our energy drink brand BOOM in conjunction with Food for the Poor in the latter's "Build Back the Love for Jamaica" campaign as we continue to contribute to building homes for the homeless. The company has further committed to building an additional 10 homes for 2023 which brings our total from 2020 to 30 homes through Food for the Poor.

Internally, the company continued its staff engagement exercises by hosting a leadership forum for all Wisynco Leaders, as well as a Women's Day Luncheon to celebrate the dedication and commitment of the women of Wisynco.

Finally, we express our sincere gratitude to all our team members for their dedication and execution and are thankful to all our customers, consumers and stockholders.



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William Mahfood  
Chairman



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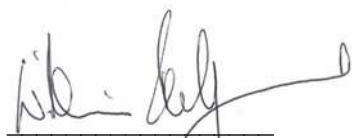
Andrew Mahfood  
Chief Executive Officer

**Wisynco Group Limited**  
**Group Statement of Comprehensive Income**  
**Nine months ended 31 March 2023**

	Unaudited Quarter ended 31 March 2023 Note	Unaudited Quarter ended 31 March 2022	Nine months ended 31 March 2023 \$'000	Nine months ended 31 March 2022 \$'000	Audited Year ended June 2022 \$'000	
<b>Revenue</b>	11,972,350	9,703,919	36,046,587	28,403,120	39,045,880	
Cost of sales	(7,825,254)	(6,566,751)	(23,363,239)	(18,683,860)	(25,794,948)	
<b>Gross Profit</b>	<b>4,147,096</b>	<b>3,137,168</b>	<b>12,683,348</b>	<b>9,719,260</b>	<b>13,250,932</b>	
Other operating income	65,269	23,007	176,471	94,425	151,559	
Selling and distribution expenses	(2,258,229)	(1,780,842)	(6,693,390)	(5,167,421)	(7,094,702)	
Administration expenses	(433,583)	(289,237)	(1,327,152)	(1,024,474)	(1,437,412)	
<b>Operating Profit</b>	<b>1,520,553</b>	<b>1,090,096</b>	<b>4,839,277</b>	<b>3,621,790</b>	<b>4,870,377</b>	
Finance income	112,291	77,288	287,893	402,907	301,258	
Finance costs	(48,843)	(64,979)	(297,451)	(88,237)	(149,059)	
Share of results of associate	(16,060)	(5,958)	(41,015)	(13,541)	(28,124)	
<b>Profit before Taxation</b>	<b>1,567,941</b>	<b>1,096,447</b>	<b>4,788,704</b>	<b>3,922,918</b>	<b>4,994,452</b>	
Taxation	(416,381)	(265,482)	(1,127,576)	(965,936)	(940,769)	
<b>Net Profit</b>	<b>1,151,560</b>	<b>830,965</b>	<b>3,661,128</b>	<b>2,956,982</b>	<b>4,053,683</b>	
<b>Other Comprehensive Income</b>						
Items that may be subsequently reclassified to P&L:						
Exchange differences on translation of foreign subsidiary	1,531	1,905	(272)	5,029	(570)	
Share of other comprehensive income of associate	6,232	6,519	602	(4,082)	18,504	
Items that may not be subsequently reclassified to P&L:						
Unrealised gains/(losses) on investment securities	4,779	108,092	(23,481)	111,741	114,701	
<b>Total Comprehensive Income</b>	<b>1,164,102</b>	<b>947,481</b>	<b>3,637,977</b>	<b>3,069,671</b>	<b>4,186,318</b>	
<b>Net Profit attributable to:</b>						
Stockholders of Wisynco Group Limited	1,151,560	830,965	3,661,128	2,956,982	4,053,683	
<b>Total Comprehensive Income attributable to:</b>						
Stockholders of Wisynco Group Limited	1,164,102	947,481	3,637,977	3,069,671	4,186,318	
<b>Basic and diluted earnings per stock unit attributable to stockholders of the group</b>						
	<b>3</b>	<b>\$0.31</b>	<b>\$0.22</b>	<b>\$0.98</b>	<b>\$0.79</b>	<b>\$1.08</b>

**Wisynco Group Limited**  
Group Statement of Financial Position  
**31 March 2023**

		Unaudited March 31 2023 \$'000	Unaudited March 31 2022 \$'000	Audited June 30 2022 \$'000
	Note			
<b>Non-Current Assets</b>				
Property, plant and equipment		6,927,637	6,413,398	6,276,824
Intangible asset		2,956	9,745	6,911
Investment in associate	4	530,148	562,558	570,561
Loans receivable		212,041	214,075	212,723
Investment securities		1,505,171	941,765	1,070,595
		<b>9,177,953</b>	<b>8,141,541</b>	<b>8,137,614</b>
<b>Current Assets</b>				
Inventories		6,000,196	3,391,309	5,415,339
Receivables and prepayments		4,446,781	3,551,362	4,017,597
Investment securities		634,247	651,377	641,526
Cash and short-term deposits	5	9,254,308	8,595,304	7,679,736
		<b>20,335,532</b>	<b>16,189,352</b>	<b>17,754,198</b>
<b>Current Liabilities</b>				
Trade and other payables		3,890,111	4,319,444	5,998,416
Short-term borrowings		805,362	761,174	759,322
Lease Liability		126,125	35,281	63,115
Taxation payable		738,433	711,238	453,639
		5,560,031	5,827,137	7,274,492
<b>Net Current Assets</b>		<b>14,775,501</b>	<b>10,362,215</b>	<b>10,479,706</b>
		<b>23,953,455</b>	<b>18,503,756</b>	<b>18,617,320</b>
<b>Shareholders' Equity</b>				
Share capital	6	1,259,591	1,224,824	1,258,319
Capital reserve		541,527	491,818	515,130
Translation reserve		78,128	60,811	77,798
Retained earnings		18,820,436	15,639,346	15,985,222
		<b>20,699,682</b>	<b>17,416,799</b>	<b>17,836,469</b>
<b>Non-current Liabilities</b>				
Deferred tax liabilities		33,885	99,966	33,885
Borrowings		3,158,006	815,367	642,053
Lease Liabilities		61,882	171,624	104,913
		3,253,773	1,086,957	780,851
		<b>23,953,455</b>	<b>18,503,756</b>	<b>18,617,320</b>

  
William Mahfood  
Chairman

  
Andrew Mahfood  
Chief Executive Officer

**Wisynco Group Limited**  
**Group Statement of Changes in Equity**  
**Nine months ended 31 March 2023**

	Number of Shares	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Translation Reserve \$'000	Total Equity \$'000
<b>Balance as at 1 July 2021</b>	<b>3,750,000,000</b>	<b>1,192,647</b>	<b>369,039</b>	<b>13,432,757</b>	<b>59,864</b>	<b>15,054,307</b>
Net profit	-	-	-	2,956,982	-	2,956,982
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	111,741	-	-	111,741
Long Term Incentive Plan (LTIP) expenses, net of taxes	-	-	20,693	-	-	20,693
Share of other comprehensive income of associate	-	-	-	-	(4,082)	(4,082)
Exchange differences on translating foreign subsidiary	-	-	-	-	5,029	5,029
Total comprehensive income	-	-	132,434	2,956,982	947	3,090,363
<b>Transactions with Owners:</b>						
Issue of Shares	6,250,000	-	-	-	-	-
Amount held as treasury shares	(4,228,850)	-	-	-	-	-
Shares issued through LTIP	2,021,150	32,177	(9,655)	-	-	22,522
Dividends	-	-	-	(750,393)	-	(750,393)
	-	32,177	122,779	2,206,589	947	2,362,492
<b>Balance at 31 March 2022</b>	<b>3,752,021,150</b>	<b>1,224,824</b>	<b>491,818</b>	<b>15,639,346</b>	<b>60,811</b>	<b>17,416,799</b>
<b>Balance as at 1 July 2022</b>	<b>3,754,125,150</b>	<b>1,258,319</b>	<b>515,130</b>	<b>15,985,222</b>	<b>77,798</b>	<b>17,836,469</b>
Net profit	-	-	-	3,661,128	-	3,661,128
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(23,481)	-	-	(23,481)
LTIP expenses	-	-	50,423	-	-	50,423
Share of other comprehensive income of associate	-	-	-	-	602	602
Exchange differences on translating foreign subsidiary	-	-	-	-	(272)	(272)
Total comprehensive income	-	-	26,942	3,661,128	330	3,688,400
<b>Transactions with Owners:</b>						
Shares issued through LTIP	6	68,325	1,272	(545)	-	727
Dividends	-	-	-	(825,914)	-	(825,914)
	-	1,272	(545)	(825,914)	-	(825,187)
<b>Balance as at 31 March 2023</b>	<b>3,754,193,475</b>	<b>1,259,591</b>	<b>541,527</b>	<b>18,820,436</b>	<b>78,128</b>	<b>20,699,682</b>

**Wisynco Group Limited**  
**Group Statement of Cash Flows**  
**Nine months ended 31 March 2023**

	<b>Nine months ended 31 March 2023 \$'000</b>	<b>Nine months ended 31 March 2022 \$'000</b>
Net profit from operations:	3,661,128	2,956,982
<b>Items not affecting cash:</b>		
Share of results of associate	41,015	13,541
Depreciation	796,920	718,039
Gain on sale of property, plant and equipment	(19,632)	(3,588)
Adjustment to property, plant & equipment	10,707	-
Amortisation of intangibles	3,955	8,502
Amortisation of loan commitment fees	1,298	521
Long Term Incentive Plan (LTIP) expenses	50,423	20,693
Interest income	(287,465)	(217,773)
Dividend income	(428)	(429)
Interest expense	85,387	84,466
Taxation expense	1,127,576	965,936
Exchange difference on foreign currency balances	36,988	(237,174)
	<b>5,507,872</b>	<b>4,309,717</b>
<b>Changes in operating assets and liabilities:</b>		
Inventories	(584,857)	199,809
Receivables and prepayments	(429,184)	(916,313)
Trade and other payables	(1,357,480)	479,114
<b>Cash generated from operations</b>	<b>3,136,350</b>	<b>4,072,327</b>
Taxation paid	(842,782)	(718,897)
<b>Cash provided by operating activities</b>	<b>2,293,568</b>	<b>3,353,430</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(1,334,823)	(288,005)
Purchase of investments securities	(904,875)	(462,395)
Net placements of deposits over 3 months	-	291,935
Proceeds on disposal of property, plant and equipment	19,632	-
Proceeds from sale of investments securities	464,350	76,267
Principal payment long term receivables	5,465	7,878
Dividend received	428	429
Interest received	283,311	221,608
<b>Cash used in investing activities</b>	<b>(1,466,512)</b>	<b>(152,283)</b>
<b>Cash Flows from Financing Activities</b>		
Interest paid	(76,768)	(85,054)
Proceeds from long term loan	3,010,190	-
Proceeds from shares issued under LTIP	727	22,522
Long-term loans repaid	(496,463)	(496,680)
Lease liabilities repaid	(98,691)	(89,527)
Dividend paid	(1,576,739)	(1,500,393)
<b>Cash used in financing activities</b>	<b>762,256</b>	<b>(2,149,132)</b>
Effects of changes in foreign exchange rates	(61,819)	177,761
Increase in cash and cash equivalents	1,527,494	1,229,776
<b>Cash and cash equivalents at beginning of period</b>	<b>7,582,364</b>	<b>7,265,567</b>
<b>Cash and Cash Equivalents at end of period</b>	<b>9,109,858</b>	<b>8,495,342</b>

**Wisynco Group Limited**  
Notes to the Interim Financial Statements  
**31 March 2023**

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**1. Basis of preparation**

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

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

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

**2. Segment reporting**

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

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

**3. Earnings per stock unit**

Earnings per stock unit is calculated on net profit and is based on the 3,753,784,160 (2022 – 3,750,823,247) weighted average number of ordinary stock units in issue.

	<b>Quarter ended March 31 2023</b>	<b>Quarter ended March 31 2022</b>	<b>Nine months ended March 31 2023</b>	<b>Nine months ended March 31 2022</b>
Net profit attributable to ordinary stockholders (\$'000)	1,151,560	830,965	3,661,128	2,956,982
<b>Basic &amp; diluted earnings per stock unit</b>	<b>\$0.31</b>	<b>\$0.22</b>	<b>\$0.98</b>	<b>\$0.79</b>

**Wisynco Group Limited**  
Notes to the Interim Financial Statements  
**31 March 2023**

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**4. Investment in Associate**

	<b>2023</b>
	<b>\$'000</b>
At July 1st 2022	570,561
Amounts recognized in other comprehensive income	602
Amounts recognized in profit & loss	(41,015)
<b>Amounts recognized in the Statement of Financial Position</b>	<b><u>530,148</u></b>

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

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

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

**5. Cash and Short Term Deposits**

	<b>Nine months ended March 31 2023 \$'000</b>	<b>Nine months ended March 31 2022 \$'000</b>
Cash and bank balances	2,225,824	2,384,552
Short term deposits	7,028,484	6,210,752
	<u>9,254,308</u>	<u>8,595,304</u>
Bank overdraft	(144,450)	(99,962)
	<u>9,109,858</u>	<u>8,495,342</u>

**6. Share Capital**

An additional 6,250,000 ordinary stock units were listed on The Jamaica Stock Exchange on July 1, 2021, increasing the company's total issued ordinary stock units to 3,756,250,000. Of the 6,250,000 additional stock units, 2,056,525 (2022 - 2,124,850) were retained by the Group as Treasury stock units and 4,193,475 (2022 - 4,125,150) units were issued to employees who exercised stock options under the Company's Long-Term Incentive Plan.

**7. Subsequent Events**

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



## SHAREHOLDING REPORT as at MARCH 31, 2023

### 10 Largest Shareholders of Wisynco Group Limited

Name of Shareholder	Units	Percentage ownership
Wisynco Group Caribbean Limited	2,776,183,736	73.9084%
ATL Group Pension Fund Trustees Nom Ltd.	58,408,056	1.5550%
GraceKennedy Pension Fund Custodian Ltd.	32,922,285	0.8765%
SJIML A/C 3119	31,329,914	0.8341%
Sagicor Select Fund Ltd. ('Class C' Shares) Manufacturing & Distribution	30,964,303	0.8243%
Guardian Life Limited	29,341,646	0.7811%
National Insurance Fund	28,571,979	0.7607%
Devon Reynolds	28,123,827	0.7487%
Sagicor Pooled Equity Fund	26,913,562	0.7165%
Francois Chalifour	24,355,295	0.6484%

### Shareholdings of Directors

Directors	Direct	Connected Parties	Total
*William Mahfood	1,596,431	2,795,721,298	2,797,317,729
*Andrew Mahfood	727,763	2,780,739,959	2,781,467,722
Francois Chalifour	24,355,295	4,476,223	28,831,518
Devon Reynolds	28,123,827	0	28,123,827
John Lee	0	5,546,491	5,546,491
Lisa Soares Lewis	3,167,600	0	3,167,600
Adam Stewart	0	1,938,936	1,938,936
Odetta Rockhead Kerr	113,715	0	113,715

\*These Directors have 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

Senior Executives	Direct	Connected Parties	Total
Andrew Fowles	2,225,300	0	2,225,300
Christopher Ramdon	2,202,383	0	2,202,383
Halcott Holness	2,595,333	0	2,595,333
Jacinth Bennett	1,369,249	0	1,369,249
Kisha-Ann Brown	0	0	0
Leilani Hunt	995,059	0	995,059
N. Craig Clare	878,318	0	878,318
Sean Scott	0	1,294,175	1,294,175
Tabitha Athey	923,420	0	923,420
Vanessa Young	3,000	0	3,000