

EVERYTHING FRESH LIMITED

REPORT TO THE SHAREHOLDERS

FOR THE SECOND QUARTER ENDED 30 JUNE, 2023



Overview

Everything Fresh Limited and its subsidiary Company in the Bahamas have recorded strong results for the first half of 2023 as the tourism industry continues to operate at high levels of occupancy. The Group stands poised to continue this trend for the remainder of 2023 and beyond.

Revenues

The Group's sales for January 1 through June 30, 2023 were \$1,672.0 million. This was an increase of \$407.5 million over the same period in the previous year, representing a 32% increase. Of the current year's sales of \$1,672.0 million, the Jamaican operation accounted for \$1,392.5 million and \$280.5 million was recorded in the Bahamas. This overall increase was mainly due to the continued resurgence in the tourism sector in both countries, and less supply chain challenges in 2023 as compared with 2022, when Covid related backlogs in production and shipping capacity were still causing delays in the movement of inventory.

Gross Profits

The Group recorded a gross profit of \$356.2 million for the six months ended June 30, 2023. For the comparative period of the previous year the gross profit was \$257.6 million. This represents a 38% increase in gross profits. Gross Margins for the first half of 2023 were 21.8% as compared to 20.3% for the same period in the previous year.

Net Profits

The Group recorded a net profit of \$78.2 million for the period January 1 through June 30, 2023 compared with \$37.5 million for the same period in the previous year.

Earnings per share for the six months ended June 30, 2023 were 9.92 cents compared to 4.05 cents for the same period in the previous year.

The Group's administrative and selling expenses totalled \$249.6 million for the six months ended June 30, 2023 compared to \$204.0 million for the same period in the previous year representing a 22.4% increase. The increases were partly due to a rise in employee costs which took place in the second quarter of 2022 and again in the first quarter of 2023. Further utilization of our Bog Walk facility, resulted in an increase in the related running costs for the first half of 2023 as the Company transferred all hotel distribution operations and stockholding from Marcus Garvey Drive to Bog Walk. The Kingston location is now the hub of the retail arm of the business, servicing supermarkets and restaurants.

Outlook

The outlook for the remainder of 2023 is favourable. Many of our Hotel customers have already started construction of additional capacity which will be completed in time for the winter season. There are also new entrants to the hotel sector that have firm plans to begin construction and we expect to participate in supplying their needs when they commence operations.

As such, our Group of Companies will continue to keep up with the demands of the tourism industry by providing quality products at competitive prices. We have also added staff at the Kingston depot to increase our capacity in warehousing and delivery to the retail sector, as the sales to supermarkets and wholesales continue to grow.

We would like to thank all our Customers, Suppliers, Team Members and Shareholders for their commitment and loyalty to our business and their continued support.



Courtney Pullen
Managing Director

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