



Improving People's Lives

CAC 2000 LTD.

**INTERIM FINANCIAL REPORT
FOR NINE MONTHS ENDED
31-Jul-23**



UNAUDITED STATEMENT OF FINANCIAL POSITION

For the 9 month(s) ended July 31, 2023

	Unaudited July 2023	Unaudited July 2022	Audited 12 months ended October 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	22,347,179	31,196,704	28,688,171
Right-of-use assets	48,790,571	65,518,767	61,336,718
Deferred Tax	12,147,775	4,285,913	7,392,968
Investment accounted for using the equity method	5,000,000	5,000,000	5,000,000
	88,285,525	106,001,384	102,417,856
CURRENT ASSETS			
Tax Recoverable	9,041,551	5,904,369	8,483,027
Inventories	585,783,272	642,130,968	578,433,393
Due from Related Party	18,780,336	26,630,214	18,536,610
Trade and Other Receivables	552,646,808	622,742,087	480,708,886
Investments	3,744,908	365,865	3,413,584
Cash & Cash Equivalents	55,919,160	101,632,890	74,631,083
	1,225,916,035	1,399,406,393	1,164,206,584
TOTAL ASSETS	1,314,201,560	1,505,407,777	1,266,624,440
EQUITY AND LIABILITIES			
Shareholders' Equity			
Ordinary Share Capital (Issued & fully paid)	138,773,634	138,773,634	138,773,634
Share Issue Costs	(9,583,877)	(9,583,877)	(9,583,877)
Capital Reserves	56,070,656	56,070,656	56,070,656
Retained Earnings	258,769,386	238,370,289	238,370,289
Current Year Profit/(Loss)	(73,941,737)	(19,904,145)	20,399,098
Total Shareholders' Equity	370,088,062	403,726,557	444,029,799
NON-CURRENT LIABILITIES			
Loans and Borrowings	260,130,744	215,469,905	213,901,429
Lease Obligation	45,816,633	62,466,470	57,525,071
Deferred Tax Liability			
	305,947,376	277,936,375	271,426,499

CURRENT LIABILITIES

Loans and Borrowings	61,027,580	150,027,580	150,027,580
Due to Related party	30,240	2,254,682	0
Trade payables and other payables	564,234,762	660,372,715	388,267,022
Current portion of finance lease obligation	15,383,031	15,383,031	15,383,031
Income tax payable	(2,509,492)	(4,293,164)	(2,509,492)

638,166,121	823,744,845	551,168,141
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TOTAL LIABILITIES AND EQUITY

1,314,201,560	1,505,407,777	1,266,624,440
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Approved for issue by the Board of Directors on August 31, 2023 and signed on its behalf by:

Signed by:

DocuSigned by:

Michael Anthony Shaw
 Michael Anthony Shaw
 Chairman Audit Committee

Signed by:

DocuSigned by:

Colin Roberts
 Colin Roberts
 Director



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STATEMENT OF CHANGES IN CASH FLOW

Nine months ended July 31, 2023

	Unaudited July 2023 \$	Audited Oct 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	(73,941,739)	20,400,507
Adjusted for:		
Taxation	(4,753,787)	820,999
Depreciation PPE	6,435,177	9,381,163
Depreciation - right of use asset	12,546,147	16,728,196
Loss/(Gain) on disposal of fixed assets	(3,060,000)	
Loss/(Gain) on revaluation of investments	468,676	(315,163)
Movement in expected credit loss		(5,929,315)
Net foreign exchange (gains)/loss	18,971,658	2,715,972
Finance Cost	39,705,588	34,135,284
Interest expenses - right of use asset	-	-
Interest income		(55,082)
Operating cash flows before movement in working capital	(3,628,280)	79,694,439
Movements in Working Capital:		
Taxation Recoverable	(559,542)	-
Inventories	(7,349,879)	(114,562,994)
Trade receivables and other receivables	(71,937,922)	266,560,820
Due from Related Party	(243,726)	(10,153,792)
Trade payables and other payables	175,967,740	(303,020,779)
Cash Generated from Operations	92,248,391	(81,482,306)
Income tax paid	-	(12,688,515)
Net Cash Used in Operating Activities	92,248,391	(94,170,821)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(94,186)	(15,866,976)
Proceeds from disposal of fixed assets	3,060,000	(2,327,912)
Investment in Securities	(800,000)	(3,254,513)
Interest received		55,082
Net Cash (Used) Generated by Investing Activities	2,165,814	(21,394,319)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid		(4,516,129)
Repayment of bank loans	(202,770,685)	(158,894,982)
Proceeds from bank loans	110,000,000	317,995,000
Repayment of preference shares	(200,000,000)	-
Proceeds from issue of preference shares	250,000,000	-
Finance lease, net	(11,708,438)	(10,168,632)
Interest paid	(39,705,588)	(34,135,284)
Increase/(decrease) in amounts due to related parties	30,240	(23,221,454)
Net Cash Provided (Used) for Financing Activities	(94,154,471)	87,058,518
NET DECREASE IN CASH AND CASH EQUIV.	259,735	(28,506,622)
Effects of exchange rate changes on cash and cash equivalents	(18,971,658)	(1,268,377)
NET DECREASE IN CASH AND CASH EQUIV.	(18,711,923)	(29,774,999)
Cash and Cash Equivalents at Beginning of Year	74,631,082	104,406,081
CASH AND CASH EQUIVALENTS AT END OF YEAR	55,919,159	74,631,082



UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
As of July31, 2023

	YTD Ending Jul-23	YTD Ending Jul-22	Quarter Ending Jul-23	Quarter Ending Jul-22
Revenue	637,763,300	754,938,197	251,256,915	219,283,140
Cost of Sales	(402,568,031)	(444,243,015)	(168,123,928)	(144,887,639)
GROSS PROFIT	235,195,269	310,695,182	83,132,987	74,395,501
Other Income	3,177,754	8,238,284	15,769	6,938,082
ADMINISTRATIVE & OTHER EXPENSES				
Selling and Distribution	(10,618,187)	(15,771,780)	(5,483,382)	(7,999,744)
General Administration	(247,697,925)	(305,084,002)	(76,983,232)	(100,986,495)
	(258,316,112)	(320,855,782)	(82,466,614)	(108,986,238)
PROFIT BEFORE FINANCE COST AND TAXATION	(19,943,089)	(1,922,316)	682,142	(27,652,655)
Other Gains and Losses	(19,256,890)	2,721,207	(10,226,923)	(1,301,752)
Interest Income	210,041	41,951	146,034	14,682
Interest Expense	39,705,588	20,661,384	15,606,782	4,209,474
NET FINANCE COST	(58,752,437)	(17,898,225)	(25,687,672)	(5,496,545)
PROFIT BEFORE TAXATION	(78,695,526)	(19,820,541)	(25,005,529)	(33,149,200)
Taxation	4,753,787	(83,604)	(2,544,999)	(552,402)
TOTAL COMPREHENSIVE INCOME	(73,941,739)	(19,904,146)	(27,550,528)	(33,701,602)
Issued Shares	129,032,258	129,032,258	129,032,258	129,032,258
Earning Per Share (EPS)	(0.57)	(0.16)	(0.21)	(0.26)



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STATEMENT OF CHANGES IN SHAREHOLDER'S NET EQUITY

Period ended July 31, 2023

	Share Capital	Capital Reserves	Retained Earnings	Total
	\$	\$	\$	\$
Balances as at October 31, 2022	129,189,757.00	56,070,656.00	258,769,386.00	444,029,799.00
Total Comprehensive Income			(73,941,737.00)	(73,941,737.00)
Balances as at July 31, 2023	<u>129,189,757.00</u>	<u>56,070,656.00</u>	<u>184,827,649.00</u>	<u>370,088,062.00</u>
Balances as at October 30, 2021	129,189,757.00	56,070,657.00	242,886,418.00	428,146,832.00
Total Comprehensive Income			20,400,507.00	20,400,507.00
Dividend Paid			(4,516,129.00)	(4,516,129.00)
Balances as at October 31, 2022	<u>129,189,757.00</u>	<u>56,070,657.00</u>	<u>258,770,796.00</u>	<u>444,031,210.00</u>



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NOTE ON LEASE

Year Lease payment Discount factor PV of lease payments

1	\$3,244,140.00	1.000	\$3,244,140.00
2	\$17,880,295.50	0.909	\$16,254,814.09
3	\$21,927,995.66	0.826	\$18,122,310.46
4	\$23,572,595.34	0.751	\$17,710,439.77
5	\$25,340,539.99	0.683	\$17,307,929.78
6	\$17,717,775.93	0.621	\$11,001,344.87
	<u>\$109,683,342.41</u>		<u>\$83,640,978.98</u>

The lease is a 5 years variable rate lease that increases every 3 months in the first year and will increase by 7.5% every year for the next 4 years.

The rate implicit in the lease is 10% which is reasonable if compared to the incremental borrowing rate (the rate at which the company could get a loan to purchase a similar property)

After accounting for the increases over the 5 years the company is expected to pay \$109,683,342.41 in real terms.

When that is discounted at the 10% the ROU booked was 83,640,978.98.

This would be depreciated over the lease term, which would be \$1,394,000 per month.

The unwinding of the discount, which is the difference between the actual lease payment and the discounted amount is \$26,042,363.44, This will be booked as finance cost over the life of the lease.

This financial year lease payment will be \$17,880,295.50, of this amount \$7,055,622.74 will go to finance cost (representing the unwinding of the discount)



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LIST OF SHAREHOLDERS NINE MONTHS ENDING JULY 2023

Authorised Ordinary Share Capital	200,000,000 units
Issued Ordinary Share Capital	129,032,258 units

TOP TEN SHAREHOLDERS - ORDINARY

RANK	SHAREHOLDERS	SHAREHOLDING	% OF ISSUED SHARES
1	CAC Caribbean Limited	67,462,522	52.28%
2	Colin Roberts	27,355,291	21.20%
3	Donald Louis Williams	6,180,000	4.79%
4	VM Wealth Equity Fund	5,893,910	4.57%
5	PAM - Pooled Equity Fund	3,334,203	2.58%
6	Howard Chin	2,884,050	2.24%
7	Christine G. Wong	1,143,988	0.89%
8	Peter Nicholas Anthony Forde and Patricia Forde	1,232,961	0.96%
9	Sagicor Select Fund Ltd- ('Class C' Shares) Manufacturing & Distribution Jamaica Credit Union Pension Fund Ltd	1,035,021	0.80%
10		843,463	0.65%
		117,365,409	90.96%

TOTAL ACCOUNT HOLDERS

JCSD register	315
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EXECUTIVE AND NON-EXECUTIVE DIRECTORS' SHAREHOLDING

EXECUTIVE	SHAREHOLDING	CONNECTED PARTY
Steven Marston	Nil	Gia Abraham
Gia Abraham	548,624	
CAC Caribbean Ltd.	67,462,522	Steven Marston/Gia Abraham (52.29%)
Colin Roberts	27,355,291	
NON-EXECUTIVE		
Edward Alexander	54,286	Charmaine/Renee/Jordanne Alexander
M. Anthony Shaw	Nil	
Simon Roberts	Nil	
Katherine Francis	Nil	
Patrick Smith	Nil	
		95,420,723

SENIOR MANAGEMENT'S SHAREHOLDING

SENIOR MANAGEMENT	SHAREHOLDING	CONNECTED PARTY
Marcus Hay	13,400	
		13,400



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**LIST OF SHAREHOLDERS
NINE MONTHS ENDING JULY 2023**

Authorised Preference Share Capital
Issued Preference Share Capital

350,000,000 units
250,000,000 units

FIXED RATE 13% CUMULATIVE REDEEMABLE PREFERENCE SHARES

RANK	SHAREHOLDERS	ALLOCATION	PERCENTAGE
1	BNS INVESTMENT	250,000,000	100.00%
		250,000,000	100.00%

TOTAL ACCOUNT HOLDERS	
JCSD register	1