WISYNCO GROUP

EXTRA-ORDINARY!

PEOPLE, PARTNERS & POSSIBILITIES

General Mills

Coca-Cola

EST. W.P. 1670
WORTHY PARK ESTATE LTD.

St.Mary's
where good things happen

Trade Winds Citrus Ltd.

ANNUAL REPORT 2023

WISYNCO GROUP

The synergy of People, Partners & Possibilities creates the **EXTRAORDINARY!**

MISSION

To improve the lives of our people.

GUIDING PRINCIPLES

'God first, then Family, Country and Company'

VALUES

C - Compassion
H - Humility
I - Integrity
R - Respect
P - Passion


Coca-Cola
Aria
Coca-Cola
NO SUGAR

Our portfolio of products is under-girded by extraordinary partnerships. We are proud that our expertise as leading local manufacturers have led to our earning the confidence and trust of well-loved global brands.

EXTRA-ORDINARY PARTNERS

Coca-Cola

Established in 2006, the partnership between Wisynco and Coca-Cola was a pivotal moment for Jamaica's manufacturing industry and beverage sector. This relationship has allowed local consumers, and millions of visitors to enjoy the wide range of refreshing beverages that are easily available in major markets across the world. Products which can be found on shelves across the country include Coca-Cola, Coke Zero, Sprite, PowerAde and Minute Maid. With intentional focus on these well-loved brands, Wisynco has grown market share steadily over seventeen years, resulting in Coca-Cola being the beverage of choice in the cola segment. Through effective customer relationship management, we have nurtured winning partnerships with the more than 10,000 vendors within the Wisynco ecosystem. Our shared values and vision of a brighter future have led to our common focus on maintaining sustainable and responsible practices throughout our operations.

EXTRA-ORDINARY PARTNERS

General Mills

From a single flour mill to over 100 brands in 100 countries, the story of General Mills, Wisynco's longest trading partner, is one of people, passion and purpose. It is no surprise that General Mills and Wisynco's association has been more like a close partnership than just another distribution hub as our values and standards are harmoniously aligned.

To name a few, Nature Valley, Häagen Dazs, Yoplait, Pillsbury, Gold Medal, Old El Paso and Betty Crocker brands have become household names in Jamaica due to our excellent distribution and targeted activation plans in partnership with General Mills.

Through the challenges, successes and new ventures, General Mills and Wisynco have put passion and purpose into making and distributing the food the world loves.

William Mahfood, Andrew Mahfood and Peter D. McConnel beam alongside their colleagues following the announcement that Wisynco would become the distributor of the sugar and spirits giant, Worthy Park.

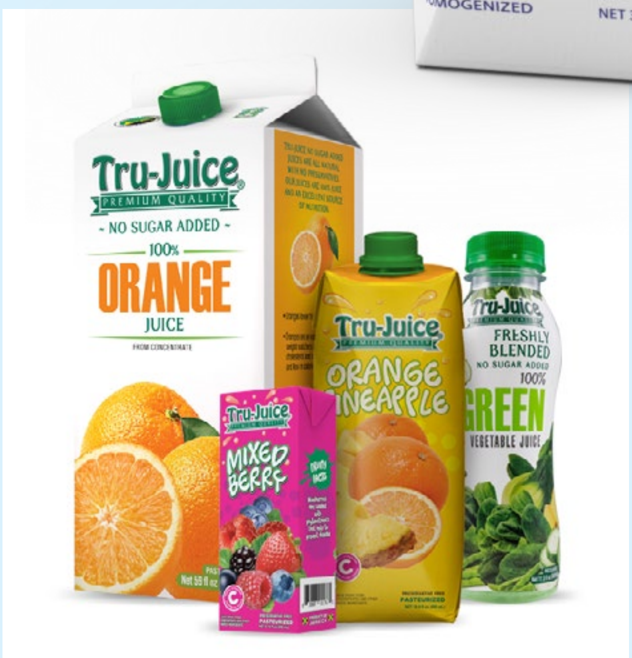
Worthy Park

In partnership with Wisynco since 2018, Rum-Bar and Worthy Park brands are established as preferred brands for Jamaican brown sugar, rums, liqueurs and vodkas. Distilled by use of the Jamaican Pot-Still method, Rum-Bar and Worthy Park rums present full-bodied flavours which have earned international recognition and awards. Through strategic marketing the Rum-Bar brand accelerated its involvement in the dynamic local entertainment space while championing grassroots and lifestyle social opportunities aligned with the brand's goals. As their brands continue to carve out an important niche in the alcohol market, we introduced two new products into the Worthy Park portfolio: Worthy Park Rum Cream, a full bodied sophisticated rum cream liqueur and Worthy Park 109 a higher proof, full bodied and flavorful 100% pot still Jamaican rum.

Worthy Park and Jamaica Gold are available through our extensive distribution network.

Trade Winds

A truly authentic Jamaican partnership has evolved from our association with Trade Winds Citrus Limited ("TWCL"). The possibilities of this valued alliance seem to be endless since Wisynco joined hands with TWCL as a strategic partner and primary distributor. The brands within this portfolio have grown from strength to strength and continue to innovate in "Tru" Wisynco and Tradewinds fashion. TWCL manufactures and markets a variety of brands, juices and flavours to suit our consumers' desires for every occasion. Brands include Tru- Juice, Tru-Moo, TruSHAKE, Freshhh, Wakefield and Calico Jack Rum Punch. Our entry into the dairy category supported by the innovation mindset of TWCL has allowed us to launch and distribute four new products through our vast distribution network. These include, Tru-Moo, Tru-Milk, Tru-Almond and TruSHAKE. Innovation is at the core of this relationship as we explore product variations, exciting categories and new packaging ideas. With a partnership like this, possibilities are endless.



EXTRA-ORDINARY PEOPLE

This year's commendable performance owes its success to the unwavering dedication of our extraordinary people. Leveraging their individual strengths and the collective power of collaboration, we take great pride in reporting on our most successful year to date, with many more possibilities on the horizon.

Members of the sales team from St. Ann and St. Mary.

Sales: Innovating Solutions

Delivering record-breaking results, with the pivotal support of the Operations and Manufacturing teams, our Sales Team held laser focus on perfecting the strategies for Modern Trade and Customer Success. Modern Trade refers to high-frequency stores and Customer Success is part of the customer experience that focuses on understanding what the customer needs, their vision for their business and how our products can best help them achieve these goals.

Norman Grant, Sales Manager - Modern Trade, and Caryll Mullings-McDonald, Senior Customer Experience Manager, have been proactive in ideating the solutions necessary for growth and have taken a deliberate approach to building high-performance teams motivated to achieve success. Some highlights include investing in John Maxwell leadership development seminars and the launch of the Modern Trade Magazine, curated by a junior member of the team, to highlight the team's triumphs. With the stewardship of the Human Resources team, many have seen upward trajectories in their careers as a result of their commitment.

Members of the sales team from St. James, Hanover and Trelawny.

Manufacturing: Creating New Avenues

Manufacturing unlocked impressive results thanks to our most recent production line addition, which was ideated by the dedicated product development team led by Simmone March. Given the dynamic shifts in demand, the team carefully assessed the market and facilitated the testing of several iterations until they were confident that they understood what the market desired. GrapeWATA was launched, surpassing all expectations with its success in the market.

Putting innovation in action, the manufacturing team successfully resurrected a retired production line to meet the increasing demands for WATA. When production capacity needed to be increased further, the team rose to the occasion utilising an old foam factory to construct a new line.

To keep at pace with technological advancements, our IT team digitized the processes for several of our production teams resulting in their ability to conduct real-time trend analyses, enabling rapid response to changes and inputs required.

Stacy-Ann Ireland, Warehouse Outbound Manager.

Warehousing & Distribution (Operations): Expanding Opportunities

The warehousing team spearheaded the launch of our first distribution satellite facility in Hague, Trelawny and has successfully grown it over the past year by 100% in capacity. This location has enabled additional growth within the region from traditional trade.

To manage supply and demand, we invested in the expansion of the fleet maintenance facility by 20% and expanded the company owned fleet by 15%.

IT & Digital Transformation: Supporting Business Transformation

Synchronizing our strengths to produce stellar results, the Digital Transformation team supported every area of the business, implementing new Enterprise Resource Planning (ERP) solutions.

In the area of data protection the team works closely with Risk and the Legal team to implement the right framework for Wisynco's stakeholders.

The team continues to be vigilant against cyber security risks and threats to business continuity.

Human Resources: The Custodians of Culture

Our HR philosophy prioritises access, growth and engagement through talent delivery. We continued to work on developing pathways for team members across the organisation so they could see growth and a future with the company. This, while recruiting specialised skills, which also brought renewed value.

We launched the first official Wisynco Women's Day and were pleased to highlight the achievements of extraordinary team members. Divisional awards were presented to Cavel Walker - Operations, Joan Morrison - Credit Officer, Shajae Foster - Manufacturing, Kesima Harris - Sales Manager, and Ingrid Hayman - Marketing. These awards were based on nominations from our Executive Management Committee leaders. Special recognition was given to our women who shine in predominantly male roles, namely Sandra Aiken – Driver/Merchandiser, Tacian Jones – Order-Man/Ramp Assistant and Rushell Nugent – Grounds Crew.

Presentations were made to Jacinth Bennett and Simmone March who were recognized as 'stand out' women in their respective positions of Group Financial Controller and Product Development Manager.

Wisynco ladies pose during Women's Day celebration.

Marketing: Promoting A Better Jamaica

Our marketing team continued to develop brand campaigns that inspire positivity and create meaningful experiences for Jamaican consumers. Through collaboration with our people, our local partners, and our world-renowned brand principals, we continued to respond to the demand for product innovation and excellence and successfully grew revenue and profit with the support of impactful campaigns focused on ensuring the betterment of Jamaica for all Jamaicans, supporting sports, music, education and our extraordinary culture as a whole.

EXTRA-ORDINARY POSSIBILITIES

By applying best practice in sustainability, innovation, operations management, and people development we expect to remain a strong company which continues to have a positive impact on our country.

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. Throughout its decades of existence, Wisynco has demonstrated a consistent commitment to innovation and growth. This dedication extends not only to new industries and domestic success but also to forging international partnerships and exploring 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 form strategic alliances to distribute and, in many cases, conceptualize several products which have resonated with the Jamaican palate and lifestyle and which dominate in their respective categories.

ENVIABLE PORTFOLIO

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 our brands, Wisynco is the exclusive bottler and distributor for Coca-Cola and Squeezz beverages, and distributors of Tru-Juice brand portfolio. The company's portfolio of brands includes Kelloggs, Häagen Dazs, Yoplait, M&Ms, and Chobani as well as locally manufactured products from Trade Winds Citrus Limited (TWCL), Worthy Park Estate and JP Snacks.

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, then Family, Country and 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.

CONSTANT INNOVATION

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 continuous innovation in existing and potential product categories. The variety of brands and packaged offerings the Company has in its portfolio is broad, and therefore able to reach all Jamaican consumers. Uncompromising in quality, 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 162 brands and has a direct customer base of over 12,000 customers. This is made up primarily of supermarkets, retail and wholesale channels, schools and food service outlets in Jamaica. It offers its products through distributors in 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 a sales force comprising of more than 700 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.

EXTEND OUR DISTRIBUTION

The Company operates from a modern centralized 360,000 square foot warehouse space in St. Catherine and commands a fleet of over 400 trucks that deliver product directly to our vast customer base.

In March 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 extends and improves our distribution footprint in Western Jamaica with an emphasis on access and reach to high frequency trade outlets. The new warehouse has made it possible to improve distribution timelines and services across the island.


ORIGINAL TASTE
Coca-Cola
ORIGINAL TASTE
Coca-Cola

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the SIXTH ANNUAL GENERAL MEETING of Wisynco Group Limited (the Company) will be held on Thursday, November 29th, 2023 at the AC Hotel by Marriott, Kingston 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, 2023 and the Reports of the Auditors and Directors thereon.**

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

   Resolution 1:

   "THAT the Audited Financial Statements for the year ended June 30, 2023 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. John Lee, Mr. Adam Stewart and Mrs. Lisa Soares Lewis, 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 Mr. John Lee, Mr. Adam Stewart and Mrs. Lisa Soares Lewis, 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, 2023 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 22 cents per share paid on March 3rd 2023, and 23 cents per share paid on August 3rd 2023 respectively, be and are hereby declared final in respect of the financial year ended 30 June 2023."

Dated the 20th day of October 2023,
by Order of the Board

Andrew Fowles
Company Secretary

Registered Office:
Lakes Pen Road, St Catherine

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.

CHAIRMAN AND CEO'S REPORT

PEOPLE-CENTERED SUCCESS

In a world shaped by constant change, we embrace the philosophy that people transcend the mere pursuit of profits. This year, encapsulated in our theme "Extraordinary: People, Partners & Possibilities," we reflect on our belief that true success is measured in the stories of extraordinary people, the bonds forged in partnerships, and the endless possibilities that unfold when we put people at the center of everything we do.

As we navigated the complexities of our business landscape in the past year, we've witnessed the extraordinary unfold. It has been a year of growth, adaptability, and unprecedented achievements, as Wisynco recorded its highest-ever revenues of $49 billion. This milestone affirms the unwavering trust our customers have in our ability to meet their needs, while demonstrating the resilience of our team, who remain the cornerstone of our success.

Throughout the financial year, the company remained steadfast to its commitment in executing its strategy of elevating our production standards, bridging the gap between supply and demand, maximizing shareholder value, and nurturing the talent within our organization.

In the beverage sector, we observed a surge in consumption across all products, with notable increases in demand for Coca-Cola, BIGGA, Sprite, and BOOM. Additionally, bottled water consumption witnessed a significant upswing, driven by heightened economic activity. People far and wide now associate our brand, WATA, with the pride of being a national product that embodies the essence of Brand Jamaica.

BREAKING RECORDS AND OVERCOMING CHALLENGES

Our ability to understand and respond to consumers has translated to continued financial success for the company, with revenues surging to $48.7 billion, a 24.7% increase over the previous year. The final quarter of fiscal 2023 witnessed a historic moment with revenues surging to a record-breaking $12.7 billion, an achievement that fills our company with immense pride. The year showcased commendable revenue performance across the board, with first to third-quarter revenues totalling $11.9 billion, $12.1 billion, and $12 billion, respectively. Meanwhile, for the year ended 30 June 2023, gross profit soared to $16.9 billion, demonstrating a 27.2% increase, while net profit after taxes stood at $4.9 billion, underscoring a net profit margin of 10.1%. Earnings per share surged to $1.31, a 21.3% increase, which marked the highest in our company's history.

The year also saw Wisynco reaching its maximum production capacity, achieving record levels of product output and delivery. This was possible due to sustained demand for our products across all channels, including strong performance in the export sector with exports surpassing $1.1 billion, up 5.8% compared to the previous financial year.

We adopted a proactive and transparent approach by maintaining open lines of communication with our valued customers. We ensured they were well-informed about constraints while reassuring them of our unwavering commitment to meeting their demands. Additionally, we implemented retention strategies.

BEYOND DEMAND

In our quest to meet the ever-increasing demand effectively and enhance our production capacity, Wisynco has embarked on an ambitious expansion plan. This initiative commits approximately $5 billion to various projects designed to significantly bolster our capabilities and enhance our operational efficiency. The expansion plans include five new production lines and innovative packaging, and these have the potential to result in approximately 75% overall growth capacity.

READY TO DEFY LIMITS

We are optimistic about the future. Our expansion project, the largest capital expansion ever undertaken by the company is well underway, with an anticipated completion timeline of the fourth quarter of financial year 2024.

Growth in our country's economy, coupled with a significant drop in unemployment, underscored by a thriving tourism sector and the strong brand identity of Jamaica, fill us with optimism about both the future of Wisynco and the prosperity of our nation. As we

embark on a new journey with our sights set on achieving what has never been done before, we are not merely following in the footsteps of those who came before us; we are carving a path that others will look to with admiration and inspiration.

We are grateful to the company's shareholders whose trust and investment in Wisynco has been pivotal to our growth and success. We are proud to deliver value and financial returns that reflect our commitment to excellence.

To our exceptional executives, we extend our sincere appreciation. Your visionary leadership, dedication, and commitment to our company's success are the driving forces behind our achievements. You have steered us through both challenges and triumphs, consistently exemplifying excellence.

Finally, to our remarkable team members, you are the heart and soul of Wisynco. The dedication, hard work, and passion you've demonstrated have enabled us to overcome challenges, seize opportunities, and deliver excellence. We acknowledge the invaluable role you play in our continued success, and we are excited about the journey ahead, knowing that we have an exceptional team driving us forward.

Wisynco is more than just a business; it's a testament to the power of people, partners & possibilities. We are excited about the road ahead and remain committed to making a positive impact on the lives of our employees, our communities, and our nation.

CORPORATE DATA

REGISTERED OFFICE:
Lakes Pen, Spanish Town, Saint Catherine, Jamaica, W.I.
Telephone: (876) 665-9000 Website: www.wisynco.com

THE BOARD OF DIRECTORS:
William Mahfood – Chairman
Andrew Mahfood – Chief Executive Officer
François P. Chalifour – Director of Marketing & Development
Devon H. Reynolds – Director of Manufacturing
John Lee – Independent Director
Adam Stewart – Independent Director
Lisa Soares Lewis – Independent Director
Odetta Rockhead-Kerr – Independent Director

EXECUTIVE MANAGEMENT COMMITTEE:
Leilani Hunt – Corporate Finance & Risk Officer
N. Craig Clare – Head of Operations
Tabitha Athey – General Manager, Full Service Model
Christopher Ramdon – Chief Information Officer
Jacinth Bennett – Group Financial Controller
Halcott Holness – Head of Sales
Kisha-Ann Brown – Group Head of HR
Sean Scott – Deputy Chief Executive Officer

Corporate Secretary- Andrew Fowles
In-House Counsel and Assistant Corporate Secretary –
Vanessa Young
Investor Relations Contact:
Vanessa Young - corporatesecretary@wisynco.com

ATTORNEY
Debbie-Ann Gordon and Associates
79 Harbour Street
Kingston, Jamaica

AUDITORS
PricewaterhouseCoopers
Scotiabank Centre,
Duke Street, Box 372
Kingston, Jamaica

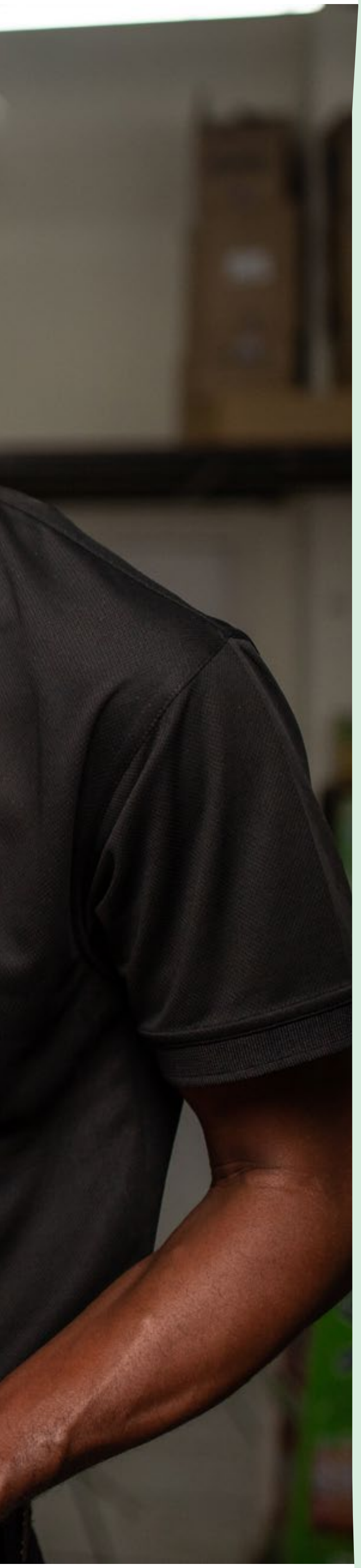
BANKERS
National Commercial Bank Jamaica Limited
Corporate Banking Division
The Atrium, 32 Trafalgar Road,
Kingston 10, Jamaica

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

Together, we have achieved remarkable feats, and together, we will shape a future for Wisynco filled with extraordinary possibilities.



MESSAGE FROM THE BOARD OF DIRECTORS

As the Board of Directors, we take immense pride in celebrating the remarkable achievements of our company over the past year. We extend our heartfelt congratulations to the extraordinary individuals who have played pivotal roles in our success – our dedicated staff, Executive Team, Senior Leadership, and fellow Board Members.

The Executive Team exhibited unwavering dedication, innovation, and determination in the face of adversity. The operations team demonstrated a remarkable ability to drive production through innovation and steadfastness, meeting any challenges head-on and turning them into opportunities for growth and transformation. This resilience and commitment to excellence is evident at every level.

Investing in the future of our company is at the heart of our mission, and this year was no different as we focused on enterprise risk management, succession planning, talent retention, and leadership development. These investments are the foundation upon which our continued success rests. Our Senior Leadership team has displayed exceptional foresight and dedication in ensuring that Wisynco well-prepared for the challenges and possibilities of tomorrow.

One of the cornerstones of our success has been our commitment to our most valuable asset – our people. We firmly believe that a successful organization is one that takes care of its employees. We commend the implementation of new strategies aimed at improving the lives of the people who make up our company. Through professional development programmes such as TRAC, or health and wellness initiatives such as the creation of a gym on site, the company continues to identify and implement ways of creating a workplace where employees thrive.

The collaboration between Board Members, Executive Team, and Senior Leadership have been instrumental in achieving these milestones. Together, we have charted a course for the future that is rooted in innovation, sustainability, and inclusivity. Our shared vision and commitment to the highest standards of corporate governance have laid the groundwork for a prosperous and responsible future.

As we look ahead, we remain optimistic about the potential for Wisynco to continue on this remarkable trajectory. We are confident that with our dedicated team, steadfast values, and strategic initiatives, we will navigate the evolving landscape of our industry and emerge stronger than ever.

We extend our deepest gratitude to our shareholders, employees, customers, and partners for their continued support. Together, we have achieved remarkable feats, and together, we will shape a future for Wisynco filled with extraordinary possibilities.

EXECUTIVE 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 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.

François Chalifour

Director of Marketing & Development

Francois Chalifor 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, CGM Gallagher, United Estates Limited and Trade Winds Citrus 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 over 40 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.

NON-EXECUTIVE DIRECTORS

John Lee

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 chairs the Audit & Risk Committee and is a member of the Compensation & Corporate Governance Committee.

Lisa Soares Lewis

Lisa Soares Lewis 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 was awarded in the '101 Most Fabulous Global Coaching Leaders' category – World HRD Congress Feb 2020, Mumbai, India.

Lisa chairs the Compensation & Corporate Governance Committee and is a member of the Audit & Risk Committee.

Adam Stewart

Adam Stewart is the dynamic Executive Chairman of Sandals Resorts International (SRI), the parent company of the world's most recognized super brands of luxury all-inclusive resorts, including adult, couples-only Sandals® Resorts and family-friendly Beaches® Resorts. He is also Executive Chairman of the family-owned ATL Group comprising retail outlets and media.

In 2009, he launched the Sandals Foundation which seeks to unite the Caribbean region under one common goal: to uplift its people through education and protect its delicate ecosystems.

In 2016, he received one of Jamaica's national honours, the Order of Distinction (Commander Class) for outstanding contribution to tourism and the hotel industry. In 2015, he was also named the Caribbean Hotel and Tourism Association's Hotelier of the Year and in 2017, the Caribbean Tourism Organization honored Adam with the Jerry Award for his demonstrated passion in developing the Caribbean region. In November 2022, Adam was conferred with an Honorary Doctorate of Laws degree (LLD) by the University of the West Indies for his contribution to Caribbean communities and elevating the region. A few months later, in May 2023, he was appointed ambassador/special investment envoy by the Prime Minister of Jamaica to assist with driving economic growth based on his extensive expertise in innovation and investment.

Odetta Rockhead-Kerr

Odetta Rockhead-Kerr 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.

EXECUTIVE MANAGEMENT COMMITTEE

Sean Scott

Deputy Chief Executive Officer

Sean Scott was appointed Deputy CEO effective August 24th, 2022. Sean previously led Wisynco Foods Limited, now Convenient Brands Limited from July 2011 until his departure at the end of June 2018. Sean also served as head of strategy and special projects for the company during that tenure.

Sean has approximately 15 years of experience in strategic planning upon his departure from Convenient Brands Limited he lead an insurance start-up company which launched in May 2019 as a joint venture of the GraceKennedy and Musson Group.

Sean holds an MBA from Harvard Business School and a Bachelor of Arts in Political Science and Government.

Halcott Holness

Head of Sales

Halcott Holness 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 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

N. Craig Claire 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 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

Jacinth Bennett 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.

EXECUTIVE MANAGEMENT COMMITTEE

Kisha-Ann Brown

Group Head of Human Resources

Kisha-Ann Brown's career spans over twenty-four 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 Hunt 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's career spans over twenty years in the finance and auditing profession, working for Wells Fargo Financial, Ernst & Young and PricewaterhouseCoopers in the USA and Europe. 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.

THE SECRETARIAT

Andrew Fowles

Group Corporate Secretary

Andrew Fowles 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 Corporate Secretary in 2005 and sits on the Boards of Seville Development Corporation Limited and Xsomo International Limited.

Vanessa Young

In-House Counsel and Assistant Corporate Secretary

Vanessa Young 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.


EXTRA-ORDINARY MOMENTS
CELEBRATING OUR CULTURE
BIGGA
I AM JAMAICAN
pineapple ginger
Net Content 355 mL (12 fl oz)
FLAVOURED SOFT DRINK

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 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 growth and profit trends while meeting environmental, social and governance goals. Board meetings ensure the alignment of goals and strategies for the operations, and will give oversight to significant acquisitions and investments, as well as matters relating to the capital structure and risk appetite.

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, six (6) meetings were held. The Board continued its focus on implementing the Board Action Plan geared towards creating a dynamic Board agenda aligned with company strategies and key areas including but not limited to culture, talent, cybersecurity, enterprise risk management and diversity in leadership.

The Board also addressed key strategic human resources issues related to staff engagement, talent retention, succession planning, health and safety. The Board agenda focused on new investments and critical review of previously made investments, as well as enterprise risk management, future acquisitions, new business ventures, divestments and capital projects.

The executive management team presented their goals and strategies for the year ending June 2023.

COMPOSITION OF THE BOARD

At June 30, 2023 the Board was comprised of eight (8) Directors, of which four (4) are Executive Directors (including the Chairman and CEO) and four (4) are Non-Executive, Independent Directors.

Who is an 'independent" director?

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:-

a. not to be a recent employee of the Company within the preceding three (3) years;

b. not be a close family member of any non-independent Director or senior executive of the Company;

c. not have directly or indirectly had a material commercial or business relationship with the Company within the preceding three (3) years; or

d. 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 and their attendance at Board Meetings was as follows:

BOARD MEETING ATTENDANCE

Board Member	Position/Title	Attendance out of 6 meetings
William Mahfood	Executive Chairman	6
Andrew Mahfood	Chief Executive Officer	6
John Lee	Independent & Non-Executive Director	6
Lisa Soares Lewis	Independent & Non-Executive Director	6
Adam Stewart	Independent & Non-Executive Director	3*
Odetta Rockhead-Kerr	Independent & Non-Executive Director	6
Francois Chalifour	Executive Director	6
Devon Reynolds	Executive Director	6

**Mr. Stewart's absences were due to extenuating circumstances.*

Board Sub-Committees

There are two (2) sub-committees of the Board, 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. The 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 in the oversight of Wisynco 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 providing appropriate insight for:

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 reviewing 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 of this committee was appointed by the Board to guide the 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 (2) executive members of the Board, being the CEO and Chairman, bringing the Committee's total membership to five (5) Directors.

The Committee met five (5) times for FY23 to coincide with key events or dates in the Company's financial reporting calendar, and 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

Committee Member	Position/Title	Attendance out of 5 meetings
John Lee	Chairman of Committee Independent & Non-Executive Director	5
William Mahfood	Executive Chairman	5
Andrew Mahfood	Chief Executive Officer	5
Lisa Soares Lewis	Independent & Non-Executive Director	5
Odetta Rockhead-Kerr	Independent & Non-Executive Director	5


WATA
YOU CAN'T ESCAPE
THE GRAPE
TASTE
GRAPE
WATA
NET 600mL
(20fl oz)
NATURAL FLAVOURED WATER
NEW
/officialwata
@officialwata

For the financial year ended 2023, 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 FY23 financial year:-

✓ Audit & Risk Committee Charter

✓ Fraud Reporting Policy (internal policy)

✓ Protected Disclosures/Whistleblower Policy

✓ Enterprise Risk Management Policy (internal policy)

The following policies are available to the public on the company's website www.wisynco.com under the Investor Relations Tab:

✓ Audit & Risk Committee Charter

✓ Protected Disclosures/Whistleblower Policy

Compensation & Corporate Governance Committee Report

Lisa Soares Lewis

Chairman of the Compensation & Corporate Governance Committee

The Compensation & 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 providing appropriate oversight for:-

i. reviewing & recommending compensation of Non-Executive Directors;

ii. annually reviewing the remuneration policies for the Executive Chairman, CEO and Executive Members, including material benefits;

iii. reviewing of the organization model and succession plan;

iv. conducting annual evaluations for the CEO, Board and 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, industry trends 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, updating and developing the Company's corporate governance code, Board and, sub-committee charters, key 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 key systems and processes, by which the operations of the Company are directed; and

x. reviewing the key policies, practices and decisions of the Company, and their effects on its stakeholders.

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

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

Runners rehydrate with WATA and PowerAde.

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

Board Member	Position/Title	Attendance out of 3 meetings
Lisa Soares Lewis	Chairman of Committee Independent & Non-Executive Director	3
William Mahfood	Executive Chairman	3
Andrew Mahfood	Chief Executive Officer	3
John Lee	Independent & Non-Executive Director	3
Odetta Rockhead-Kerr	Independent & Non-Executive Director	3

For the financial year ended 2023, 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. Corporate Governance Charter;

iii. Code of Ethics.

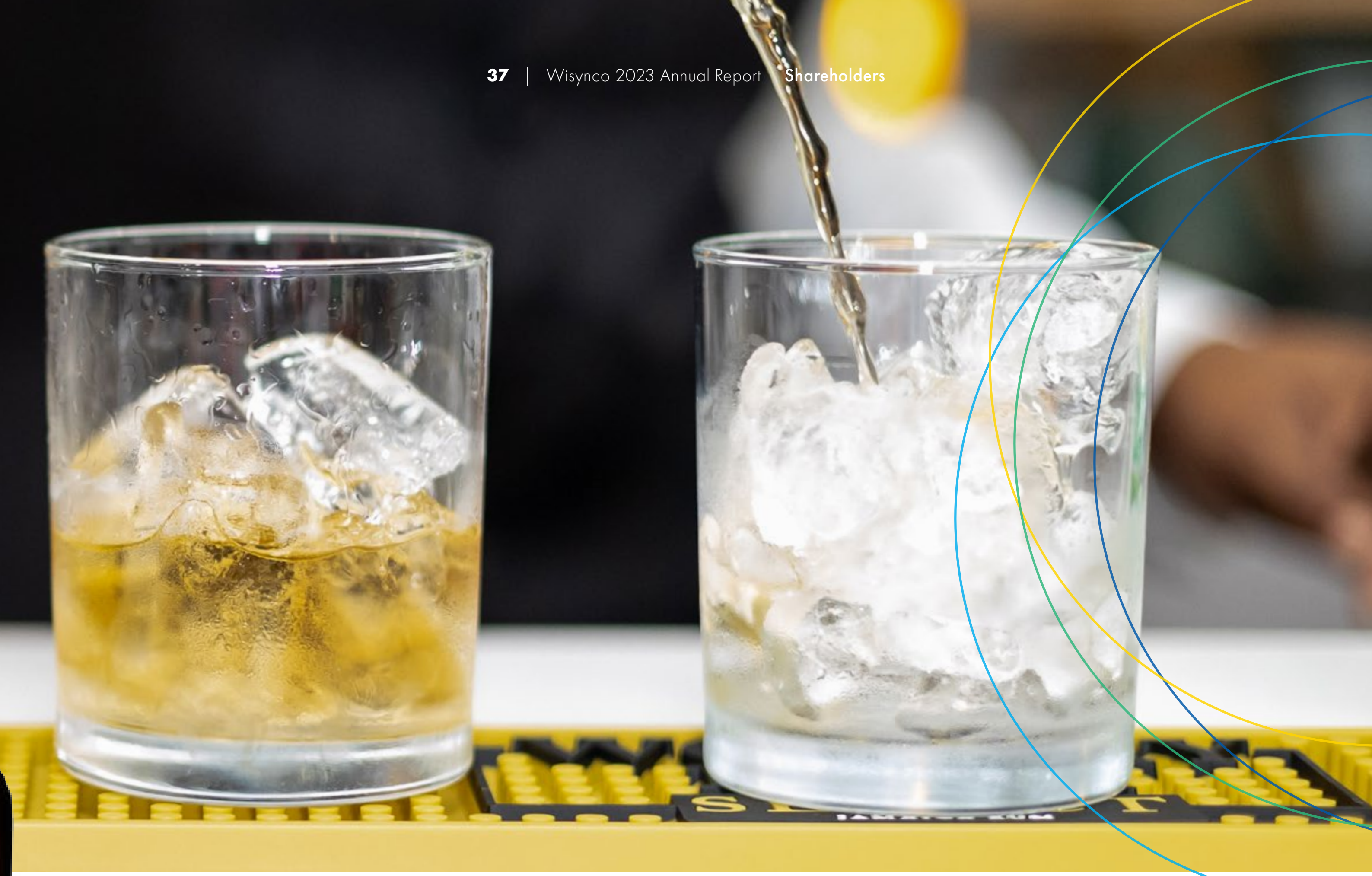
The following policies are available to the public on the company's website www.wisynco.com under the Investor Relations Tab:

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

SHAREHOLDERS' INFORMATION

Top 10 Shareholders

Name of Shareholder	Units	Percentage ownership
Wisynco Group Caribbean Limited	2,776,183,736	73.91%
ATL Group Pension Fund Trustees Nom Ltd.	58,408,056	1.56%
GraceKennedy Pension Fund Custodian Ltd.	32,922,285	0.88%
SJIML A/C 3119	31,329,914	0.83%
Sagicor Select Fund Ltd. ('Class C' Shares) Manufacturing & Distribution	30,964,303	0.82%
Guardian Life Limited	29,341,646	0.78%
National Insurance Fund	28,571,979	0.76%
Devon Reynolds	28,123,827	0.75%
Sagicor Pooled Equity Fund	26,913,562	0.72%
Francois Chalifour	24,355,295	0.65%



Shareholdings of Directors

Directors	Direct	Connected Parties	Total
William Mahfood*	1,596,431	2,795,187,733	2,796,784,164
Andrew Mahfood*	727,763	2,780,659,959	2,781,387,722
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

MD&A

MANAGEMENT DISCUSSION & ANALYSIS

Wisynco has every reason to swell with pride when reflecting on our extraordinary journey as a leading force in Jamaica's food and beverage industry. Throughout the year, the company continued to add to its incredible story of success, reaching record-breaking heights that have elevated the spirit and optimism of the entire company.

Yet, with more than 58 years in the business of manufacturing and distribution, we have expanded our reach far beyond profits. Our commitment to the Wisynco Way transcends financial outcomes and revolves around the extraordinary individuals who breathe life into our vision. Behind the numbers is the dedication, commitment, and unshakable spirit of our teams, built on the core values of Wisynco, which are Compassion, Humility, Integrity, Respect and Passion (C.H.I.R.P).

DIVERSE ACHIEVEMENTS

Wisynco witnessed an encouraging surge in consumption across its primary portfolio, which includes Coca-Cola, BIGGA, Sprite, BOOM, WATA, and flavoured WATA. Notably, the demand for all beverages grew above expectations, fueled by the revival of tourism and social life in Jamaica post-pandemic. This accomplishment speaks to the consistency and quality that its loyal customers value and expect.

Within our manufacturing domain, Wisynco achieved 17% growth in production, showcasing the company's capacity to deliver quality products efficiently. The company embarked on the largest capital programme in our history, which includes the expansion of over 200,000 square feet of warehouse/manufacturing space at the company's Lakes Pen Facility; the installation of five new filling lines in fiscal 2024; improved efficiency with the implementation of new technologies; and maintenance of the highest of standards that will further elevate operational capabilities.

In parallel, Wisynco invested in education, the protection and conservation of the environment, and giving back to communities. One partnership that exemplifies the company's commitment in this regard is its affiliation with Recycling Partners of Jamaica (RPJ). As a proud member, Wisynco remained dedicated to playing its part in minimising Jamaica's environmental footprint through energy conservation, water management, and recycling. During RPJ's financial year ended March 2023, the organization collected and exported 6.6 million and 5.4 million pounds of plastic respectively. In recent months, RPJ is now colecting an average of 30% of all plastic bottles sold into the market by the beverage industry, up from 16% during the previous year.

These accomplishments, both large and small, collectively underscore the strength of the Wisynco family, which has demonstrated unwavering commitment and resilience in the face of challenges and shifting market dynamics. As the company continues its journey, guided by its theme Extraordinary: People, Partners & Possibilities, Wisynco looks to the horizon with optimism, knowing that the future holds boundless opportunities for growth, innovation, and continued success.


I 'AINT COME HERE FOR NO STAND UP!
Cran FETE
WATA
WATA WID WOW!

MD&A

FINANCIAL RESULTS

Financial Highs

Throughout the fiscal year, Wisynco delivered exceptional financial performance, marked by robust growth across various metrics. Revenues surged to new heights, reflecting the company's market resilience and strategic initiatives in action. Over the course of four quarters, revenues increased between 19% and 29.8% from the corresponding quarters of the previous year.

Revenue Growth - $48.7B

With consistent demand for all products across all categories, revenues from operations for the fiscal year ending June 30, 2023, reached $48.7 billion (see Five Year Financial Highlights). This marked a substantial increase of 24.7% compared to the previous year's $39 billion. In the final quarter, the company achieved remarkable revenue growth, recording a 19% increase over the same period in the prior year, reaching an all-time quarterly high of $12.7 billion.

Gross Profit - $16.9B

Gross profit for the year amounted to $16.9 billion, exhibiting significant growth of $3.6 billion, or 27.2%, compared to the prior year. This robust performance came as a result of the increase in revenues outpacing the 23.5% increase in cost of sales. Consequently, gross profit margin was 34.6%, a 70 basis point improvement when compared to the margin of 33.9% which was recorded in Fiscal 2022.

Selling, Distribution & Administrative Expenses - $10.95B

Selling, distribution, and administrative (SD&A) expenses for the year totalled $10.95 billion, a 28.4% increase compared to the prior year. This uptick was primarily driven by expanded business activities and corresponding variable costs, compounded by inflationary increases across all expense categories. The company's SD&A expense-to-sales ratio for the year stood at 22.5%, compared to 21.9% in the prior year.

34.6%

Gross Margin improved to 34.6%, a notable increase from the 33.9% recorded in Fiscal 2022.

Net Profit - $4.9B

Profit before Taxation for the year amounted to $6.3 billion, a 26.4% increase from the prior year's $5 billion. After taxes, net profit for the year reached $4.9 billion, surpassing the previous year's figure of $4.1 billion. The net profit margin for 2023 was slightly lower at 10.1% compared to the 10.4% realised in 2022.

Return on Equity – 23.3%

The Return on Equity for the financial year stood at 23.3%, which is an improvement of 50 basis points over the 22.8% achieved in Fiscal 2022.

Earnings Per Share - $1.31

Earnings per Share for the year stood at $1.31, a 21.3% increase from the prior year and the highest in the company's history.

Dividend Payout - $0.45

A dividend of 23c per share was declared on June 28, 2023, adding to the dividend of 22c per share declared on February 1, 2023. In total, the dividend for FY23 amounted to 45c per share, which is 12.5% greater than the 40c per share for FY22. The dividend yield was 2.4% for FY23, compared to 2.0% in FY22, based on the closing stock price on June 30 of the respective fiscal years.

NEW! Chobani produces yogurt, oatmilk, dairy and non-dairy creamers, and snacks.

$4.9B

Net profit for the year reached $4.9 billion, surpassing the previous year's figure of $4.1 billion.

22.5%

SD&A expense-to-sales ratio for the year stood at 22.5%, compared to 21.9% in the prior year.

21.3%

EPS reflecting an impressive 21.3% increase from last year and representing the highest in the company's history.

Tru-Juice ladies exude TruVibes

Current Assets - $22.8B

Current assets increased by 28.6% from J$17.8 billion to J$22.8 billion, primarily due to an increase in inventory. The increase was necessary to meet the heightened business activity. It is noteworthy that the inventory represented 70 days of sales at the end of 2023, compared to 77 days in 2022. Meanwhile, the company's Current Ratio improved to 2.8, surpassing the 2.4 achieved in the prior year.

Our commitment to operational excellence, prudent financial management, and innovation yielded remarkable results. These financial accomplishments underscore our capacity for sustained growth and our dedication to delivering value to shareholders and other stakeholders alike.

The company's financial achievements are a direct reflection of the hard work, dedication, and commitment of its teams. Every financial milestone we reach is made possible by the extraordinary people at Wisynco, who consistently go above and beyond to drive our growth.

We believe that our success is intertwined with the wellbeing and prosperity of our employees and their families. Through Wisynco, we aim to empower them with the confidence to improve their lives and develop their leadership skills, aligning with their values.

Five-Year Financial Highlights

Year ended 30 June	FY 2019 $'000	FY 2020 $'000	FY 2021 $'000	FY 2022 $'000	FY 2023 $'000
Revenue	26,939,227	32,170,426	31,816,430	39,045,880	48,705,454
% Change YOY	9.76%	19.42%	-1.10%	22.72%	24.74%
Gross Margin (%)	37.39%	34.40%	34.94%	33.94%	34.61%
Net Profit After Tax	2,542,165	2,662,667	3,072,300	4,053,683	4,922,575
EBITDA	4,260,465	4,472,670	5,019,790	5,977,391	7,482,153
EBITDA Margin (%)	15.82%	13.90%	15.78%	15.31%	15.36%
Net Profit Margin (%)	9.44%	8.28%	9.66%	10.38%	10.11%
Debt: Shareholders' Equity	0.20	0.20	0.10	0.09	0.19
S&D & Admin Expenses to Sales (%)	26.8%	25.3%	23.8%	21.9%	22.5%
ROE (%)	22.90%	20.50%	20.40%	22.80%	23.30%

Five-Year Financial Analysis

Year ended 30 June	FY 2019 $'000	FY 2020 $'000	FY 2021 $'000	FY 2022 $'000	FY 2023 $'000
Revenue	**26,939,227**	**32,170,426**	**31,816,430**	**39,045,880**	**48,705,454**
Cost of Sales	(16,867,965)	(21,103,363)	(20,700,100)	(25,794,948)	(31,850,418)
Gross Profit	**10,071,262**	**11,067,063**	**11,116,330**	**13,250,932**	**16,855,036**
Other Operating Income	288,656	142,654	240,581	151,559	252,781
Selling and Distribution Expense	(6,124,857)	(6,784,843)	(6,149,378)	(7,094,702)	(9,160,849)
Administration Expenses	(1,097,978)	(1,370,277)	(1,416,660)	(1,437,412)	(1,789,583)
Operating Profit	**3,137,083**	**3,054,597**	**3,790,873**	**4,870,377**	**6,157,385**
Finance Income	119,218	320,495	195,534	301,258	444,487
Finance Costs	230,205	(155,844)	(153,730)	(149,059)	(131,347)
Impairment loss on Investment in Associated Company	-	-	-	-	(105,369)
Share of results from Associates	7,792	984	(29,722)	(28,124)	(52,103)
Profit before Taxation	**3,494,298**	**3,220,232**	**3,802,955**	**4,994,452**	**6,313,053**
Taxation	(491,723)	(557,565)	(730,655)	(940,769)	(1,390,478)
Profit from Discontinued Operations	387,157	139,736	-	-	-
Net Profit	**3,389,732**	**2,802,403**	**3,072,300**	**4,053,683**	**4,922,575**
Other Comprehensive Income					
Items that may be subsequently reclassified to profit or loss:					
Exchange differences on translation of foreign subsidiary	(1,038)	9,765	6,093	(570)	6,606
Share of other comprehensive income of associate	-	9,322	5,636	18,504	3,691
Items that will be classified to profit or loss:					
Unrealized (loss)/gain on investment securities	10,886	17,302	11,362	114,701	(45,754)
Total Comprehensive Income	**2,939,170**	**2,838,792**	**3,095,391**	**4,186,318**	**4,887,118**
Earning per Share attributable to stockholders:					
From continuing operations	0.68	0.71	0.82	1.08	1.31
From discontinued operations	0.10	0.04	-	-	-
Earnings per Share	**0.78**	**0.75**	**0.82**	**1.08**	**1.31**

The Jamaica Manufacturers and Exporters Association (JMEA) awarded Wisynco's GrapeWATA Breakthrough Product of the Year in 2022.

OUTLOOK

Infinite Possibilities

As Wisynco forges ahead, we do so with great optimism. Our company, which stands at the forefront of innovation in Jamaica's food and beverage industry, is poised to capitalise on emerging opportunities in a rapidly evolving market. Yet, while our local roots run deep, we are penetrating international markets with the same spirit of innovation that has propelled us thus far. Wherever our passion for People, Partners & Possibilities takes us, Wisynco will seek to chart a course of excellence through our exceptional products and service to a global audience.

With a talented team, robust strategies, and a history of overcoming challenges, we are shaping the future, inspiring confidence, and instilling pride every step of the way. Our plans for the upcoming year will see the company continuing its injection of J$5 billion into major projects and will involve:

DIVERSIFICATION FOR RESILIENCE

By the end of Fiscal 2024, Wisynco will boast five new production lines, nearly doubling its monthly production capacity from 2 million to approximately 4 million cases. This substantial expansion will pave the way for an exciting phase of growth, innovation, and improved product availability. With the implementation of the first three lines, the company anticipates that it will boost capacity by 50% by February 2024. This move is poised to catalyse revenue growth and operational efficiencies, expand our available product range, increase our availability to our export markets, and leverage our expertise to tap into emerging opportunities.

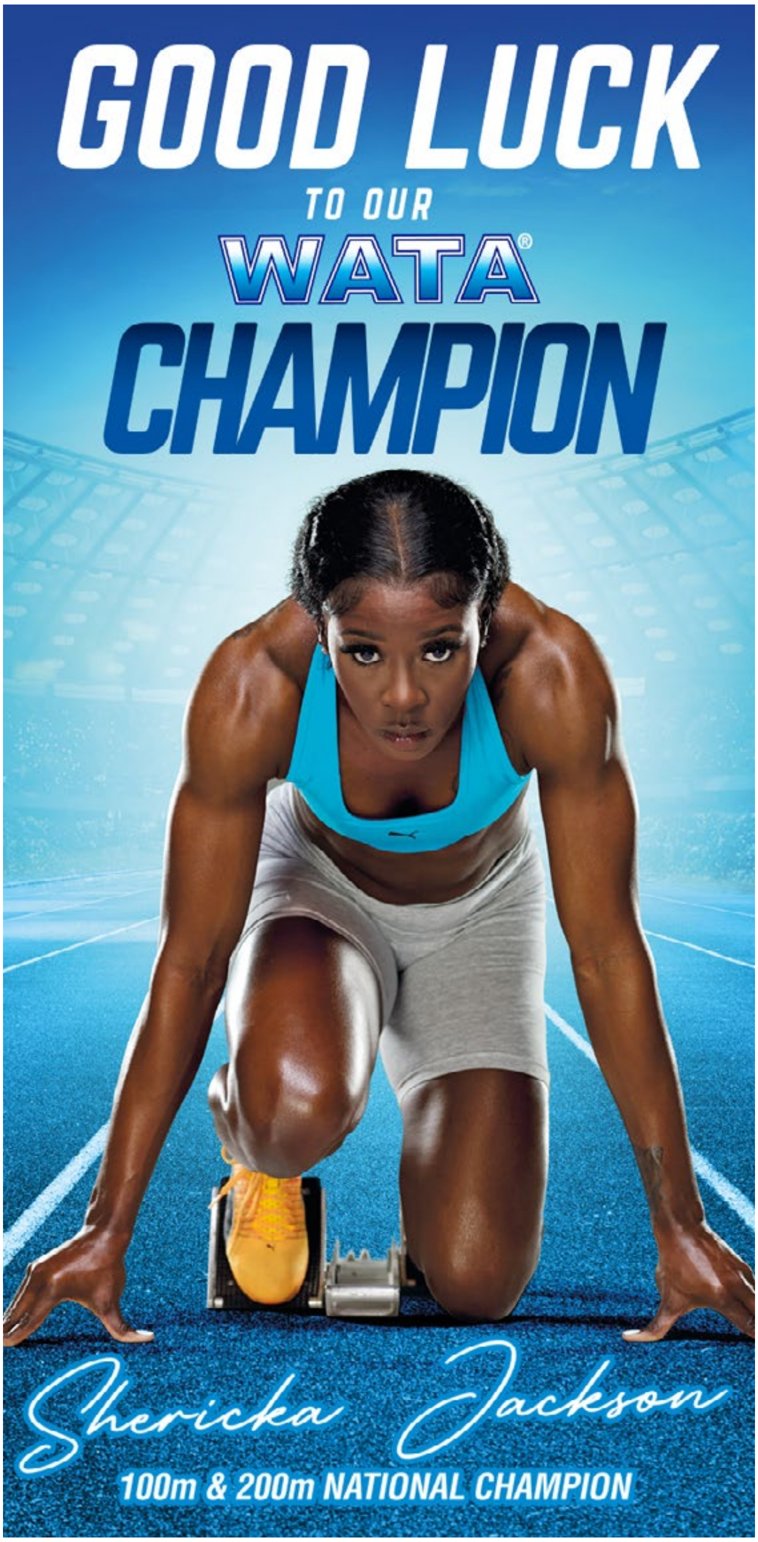
EXPANSION COMPLETION

Wisynco is in the midst of an extensive expansion programme, with a target completion timeline of Q4 Fiscal 2024. The ongoing expansion activities, coupled with new construction projects, will not only boost productive capacity but also enable the introduction of novel brands and innovations.

TECHNOLOGY INTEGRATION

The company will continue to invest in technology, with a primary focus on the ERP system. This technology will play a pivotal role in enhancing operational efficiency and decision-making.

The increased flexibility and output resulting from these initiatives will empower the company to meet current market demands, explore new opportunities, and remain at the forefront of product innovation. With these ambitious endeavours, Wisynco looks forward to achieving sustained growth and delivering enhanced value to its customers and stakeholders.



WATA Ambassador Shericka Jackson.

MARKETING

A Year of Refreshing Innovation

The strategic focus of the year has been to accelerate brand recruitment and bolster brand-building efforts. Wisynco achieved this through targeted sponsorships, engaging brand ambassadors, influencer signings, and strengthening its marketing, promotions, and merchandising capabilities.

DIVERSE BRAND PORTFOLIO

Wisynco's locally owned and contracted beverages have been at the forefront of vibrant and impactful marketing campaigns. The company's portfolio of trademarked products includes beloved brands such as BIGGA soft drinks, BOOM Energy Drink, CranWATA, Sparkling CranWATA, Grape WATA, and Jamaica's leading water brand, WATA. Through the popular brand portfolios of Coca-Cola and Squeezz beverages, the company also exclusively bottles and distributes products such as Coca-Cola, Sprite, Minute Maid, and Schweppes.

During the fiscal year, Wisynco launched three new products and relaunched a signature brand. In March 2023, the market welcomed the refreshing Tru-Juice Pineapple Lychee and Guava Pineapple Passion in convenient 1-gallon containers, while the iconic Calico Jack Jamaican Rum Punch made a triumphant return in 250 ml and 1 L Tetra Pak cartons. In May 2023, the creamy and nourishing Tru-Moo Cow's Milk was introduced in a convenient 1 L package, followed by TruSHAKE Chocolate, which made an exciting debut in 2023.

STRONG PARTNERS

Collaborations with local partners such as Trade Winds Citrus Limited, Worthy Park, and Jamaica Producers have allowed the company to respond effectively to consumer demands for innovation and product excellence. Wisynco's commitment extends to catering to consumer preferences, evident in its expansion of brands such as Red Bull, Kellogg's, Mott's, Pringles, Welch's, Nestlé, Nature Valley, Häagen Dazs, Vitamalt, and Bon. These brands have enriched the company's portfolio and yielded remarkable revenue and profit growth.

Wisynco's digital activations and sponsorships have showcased the company's products and innovations in an unforgettable way. Its presence at events like Jamaica Manufacturers and Exporters Association's (JMEA) annual Expo and The Social House and sponsorship of various events such as University of the West Indies' (UWI) Carnival, the Schools Challenge Quiz, Bob Marley's Birthday, and the Observer Food Awards have reinforced the company's role as a market leader in connecting with consumers, igniting memorable experiences, and championing the vibrant spirit of Jamaica. Wisynco takes pride in the powerful impact this has had on the business and the nation as a whole.

UWI Carnival participant keeps hydrated with WATA.

WATA – A CULTURAL ICON

WATA continues to fuel national sporting activities, supporting the personal and professional development of Jamaican youth. Wisynco strengthened its connection to outstanding female national sporting teams, such as the Reggae Girls, the Sunshine Girls, and the National Female Volleyball Team. In addition, its flagship sponsorships, including the Inter-Secondary Schools Sports Association (ISSA) Schoolboy Football and Jamaica Athletics Administrative Association (JAAA), underscored the company's commitment to sports development. Notable brand ambassadors and influencers, including 2020 100m Olympic Gold medalist and 200-metre World Champion Shericka Jackson and twin athletes Tina and Tia Clayton, have further amplified the reach and impact of the WATA brand.

In August 2022, the company proudly reaffirmed its support of Jamaica's Independence celebrations, introducing special commemorative labels for the country's 60th anniversary. Wisynco was designated as the "Official WATA of Jamaica 60" and activated a far-reaching charitable undertaking, with $12 million going towards educational grants for the nation's students and teachers. These funds came from the sale of WATA and allowed customers who choose WATA to contribute to improved educational outcomes for students and teachers.

The launch of Grape WATA garnered much success and stands out as one of Wisynco's most successful innovations to date. The public was encouraged to join the "Grape Escape" as the product burst onto the scene, making big waves. It exemplifies the synergy between insights-driven innovation, effective marketing, and channel management.

Through every action, Wisynco's dedication to promoting 'Brand Jamaica' resonates, creating a ripple effect of positivity that propels the company while lifting the spirit of our nation.


JA
LAND OF GOOD & WATA
The Official Water of JAMAICA 60
EXTRA-ORDINARY MOMENTS
CELEBRATING JAMAICA 60!
WATA
The Official Water of JAMAICA 60
Re-igniting a Nation for Greatness

SALES/COMMERCIAL HIGHLIGHTS

Superseding Targets

Our dedicated sales and merchandising teams exhibited great determination and brilliance, achieving not only remarkable sales figures but also flawless execution. This excellence translated into substantial growth in revenues, which came about because of increased volumes, new customer acquisitions, and customer contact points. Special thanks to our operations and manufacturing teams, which played a pivotal role in bolstering our sales and distribution efforts, even amidst numerous hurdles.

SALES AND MERCHANDISING EXCELLENCE

In pursuit of our mantra, "No Brand, No Shelf, No Customer, or Person Left Behind," our sales and merchandising teams rose to the occasion in magnificent fashion. We welcomed the introduction of exciting new products, including Grape WATA, which was well received and is poised to deliver outstanding performance.

STRONG GROWTH ACROSS DIVISIONS

As the economy regained momentum, we witnessed a surge in sales, of 25% compared to the previous fiscal year. This growth holds special significance as it was achieved against the backdrop of logistical and supply-chain challenges experienced throughout the financial year.

LOOKING AHEAD

We are optimistic that the momentum we've built in the previous financial year will persist and flourish. We look forward to the completion of the expansion of our manufacturing capacity, a development that will empower us to meet the burgeoning demands of our valued customers.

Furthermore, our ongoing partnership with the HR Department focused on developing and training our teams in best practices, plays a pivotal role in strengthening team dynamics and recognising and rewarding excellence. We are indebted to our dedicated teams, loyal customers, and esteemed shareholders for their support. Together, we stand poised for a prosperous future, rich with growth, innovation, and shared success.

No pain, all gain. With the perfect balance of flavor and heat, new Pringles® Scorchin' are the spicy snack you can keep eating, and eating, and eating, and eating, and eating, and...

Georgia Ingleton, one of Wisynco's haulage contractors.

OPERATIONS

Unlocking Our Greatest Potential

TECHNOLOGICAL ADVANCEMENTS

In pursuit of operational excellence, Wisynco invested heavily in technology and equipment. Its warehouse operations and IT teams, fuelled by their passion for innovation, crafted home-grown solutions that have redefined the company's efficiency.

OPTIMISING EFFICIENCY

The company's Warehouse Management System (WMS) and trucker assignment tools saw incremental advancements, resulting in smoother operations and enhanced customer satisfaction. Notably, route optimisation tools led to an impressive 18% increase in capacity, allowing the company to do more with its existing fleet.

CAPACITY EXPANSION

Simultaneously, Wisynco continued to enhance warehouse operations by increasing our core Material Handling Equipment (MHE) capacity. To further expand distribution reach, there was a 15% increase in the company-owned fleet, complementing the existing 450 independent haulage contractors and ensuring seamless down-trade deliveries.

INFRASTRUCTURE GROWTH

Further, Wisynco's commitment to expansion and growth has led to the 200,000 sq. ft. expansion of its warehousing and manufacturing facilities at Lakes Pen. This investment equips us to serve our customers even more efficiently and meet the growing demands of the market.

RURAL REACH

In the first quarter of the financial year, a significant milestone was achieved with the commissioning of the company's first satellite distribution warehouse in Trelawny. This strategic move has expanded our reach into rural territories while flipping increased case growth month-over-month.

To address the demand for our bottled water products and to increase exports, we embarked on an ambitious expansion project by investing over US$7.5 million. We will almost double our capacity in January 2024 and will amplify our production capabilities.

MANUFACTURING

Precision and Progress

The Manufacturing Division exhibited commendable progress throughout the year, surpassing previous achievements despite substantial challenges.

We elevated the manufacturing strategic blueprint by fortifying our resilience against stockouts. This entailed the deliberate orchestration of supplier diversification, strategically increasing vulnerable raw material stock levels, and carefully vetting and onboarding new partners, thereby strengthening the supply chain's robustness and minimising vulnerabilities related to raw material scarcity. In parallel, we allocated resources towards the acquisition of advanced equipment, which augmented product quality, capacity, and our agility in responding to market demands.

OPERATIONAL RESILIENCE AMIDST SUPPLY CHAIN CHALLENGES

Despite disruptions in the global supply chain and a competitive labour market that contributed to higher turnover among our technical team, the manufacturing division was able to increase its production output. The team achieved an impressive 17% growth in the production of physical cases compared to the previous year.

INNOVATION AND ADAPTATION

Recognising the need to pre-empt potential crises, we applied innovation as the cornerstone of our approach. We reasserted our commitment to enhancing operational efficiencies to ensure our relevance and productivity in a dynamic and rapidly changing business landscape. This strategic shift resulted in heightened agility, adaptability, and competitiveness, enabling us to navigate and thrive in a rapidly changing environment.

SUSTAINED INTERNATIONAL CERTIFICATIONS

The manufacturing division proudly retained essential international certifications. These certifications include ISO 9001 for Quality Management Systems, FSSC 22000 for Food Safety Systems, ISO 45001 for Occupational Health and Safety Management, and ISO 14001 for Environmental Management Systems. Meeting international standards and qualifying for certification are crucial pillars supporting our expansion into new markets, ensuring our adherence to the highest standards, and fostering trust with both our existing and prospective partners.

STRATEGIC PROJECTS AND EXPANSION INITIATIVES

The manufacturing division also undertook several transformative projects that underscore our commitment to progress and excellence. These include:

Electric Power Generation Capacity Expansion: We successfully installed a new 1.6-megawatt diesel gas blend engine, commissioned in the third quarter of fiscal 2023. This addition is projected to significantly enhance the reliability and cost efficiency of our electrical energy production.

Water Treatment and Efficiency Enhancements: A project to stabilise water treatment system reliability and reduce water usage was successfully implemented with the commissioning of a recovery reverse osmosis machine. This contributed to higher utilisation of treated water and reduced waste. A new standby water well, ongoing water piping infrastructure upgrades, and an advanced water purification system design have also enhanced efficiency and quality.

EXPANSION OF MANUFACTURING

To address the demand for our bottled water products and to increase exports, we embarked on an ambitious expansion project by investing over US$7.5 million. We will almost double our capacity in January 2024 and will amplify our production capabilities.

A new carbonated beverage line was installed at our While Marl facility. With an estimated capital outlay of US$7 million, this initiative will be a great boost to our flexibility as it will enhance our capacity to meet consumer demand. This line is targeted to become operational in November 2023.

Additional upgrades included the installation of a high-speed labelling system, the procurement of palletizers and a case packer, and the transformation of a redundant line into a sophisticated mixer and filler system. These substantial enhancements, collectively valued at approximately US$1.9 million, play a pivotal role in streamlining our operations for greater effectiveness, productivity, and flexibility.

To fuel the company's growth, Wisynco injected more than US$8 million into the construction of over 200,000 square feet of warehouse space at the Lakes Pen Facility. It is primarily designed for a new manufacturing business unit with significant innovations to come, including new packaging formats to be introduced. Additionally, the division's acquisition of new machinery, technology, and capacity-building initiatives reached an impressive US$28 million during the financial year.

COMMITMENT TO WORKFORCE DEVELOPMENT AND SAFETY

Recognising the significance of technological progress, our manufacturing division partnered with the Caribbean Maritime University to provide training for our technical staff. Additionally, we demonstrated our steadfast commitment to the well-being of our employees and the environment through initiatives such as World Day for Safety and Health in the Workplace. These efforts have helped nurture a culture of safety and incident prevention within our organisation.

As we look ahead, the Manufacturing Division remains committed to pioneering growth, embracing change, and fostering innovation. We firmly believe that our pursuit of excellence will not only continue to empower our team members but will also solidify our position as industry leaders amidst the ever-evolving business landscape.

In line with our commitment to fostering a vibrant and productive workforce, Wisynco's top HR priorities for the year were health, safety and wellbeing, employee engagement and culture, and talent development and acquisition.

HUMAN RESOURCES

Extraordinary Team

For Wisynco, our people-centric approach extends beyond salaries and incentives and centres on fostering a healthy work environment and exemplary leadership. The company is proud of its extraordinary team and their passion and dedication, which set us apart. We are constantly trying to enhance the wellbeing of our teams through initiatives focused on health, safety, and wellness, as our people are not just the backbone of our organisation; they are the heart and soul of everything we do.

In line with our commitment to fostering a vibrant and productive workforce, Wisynco's top HR priorities for the year were health, safety and wellbeing, employee engagement and culture, and talent development and acquisition. These pillars formed the foundation of our HR strategies, aimed at enhancing our employees' professional growth and driving our business imperatives. Our HR team, in collaboration with stakeholders, built and executed an ambitious agenda, thus laying the foundations for our future growth.

EDUCATIONAL DEVELOPMENT AND SUPPORT

We are proud to offer full-time employment opportunities to individuals from diverse backgrounds and walks of life, with a focus on their growth and development. Our Training to be Relevant, Adaptable, and Confident (TRAC) Programme, launched in September 2021, allows employees without formal qualifications to upgrade their proficiency in subjects like English Language, Mathematics, and Electronic Document Preparation and Management (EDPM) at the Caribbean Secondary Education Certificate (CSEC) level. In the 2023 Financial Year, 18 employees participated in the programme, with five sitting CSEC exams in May/June 2023.

Educational support and assistance are also crucial to us. We provided 25 educational grants totalling over $1.2 million to employees enrolled in various educational programmes. Additionally, through our scholarship programmes for outstanding children of staff members at the secondary level, we provided over $800,000 in assistance. Meanwhile, our WATA Back to School Grant for employees and their children awarded grants to 426 primary and secondary level applicants and 53 university-level applicants, totalling $11 million.

HEALTH, SAFETY, AND WELLBEING INITIATIVES

August 2022 marked the launch of Wisynco's first Health, Safety, and Wellbeing Month, offering various activities and events. Our inaugural Wisynco Health Safety and Wellbeing Fair, attended by over 500 employees, provided free health checks, medical examinations, and wellbeing demonstrations. We aim to build on this initiative in the coming years.

Then, in October 2022, we commemorated Breast Cancer Awareness Month with educational forums, lunchtime sessions, and gifting breast cancer screening certificates to 20 female employees.

Wisynco Health Safety and Wellbeing Fair provided free health checks, medical examinations, and well-being demonstrations.

LEADERSHIP DEVELOPMENT

Our commitment to leadership development continued with the launch of the Wisynco Leadership Experience in March, offering training and follow-up coaching to more than 80 leaders in Manufacturing and Operations. This programme will evolve with the development of a Wisynco leadership training curriculum.

Celebrating the invaluable contribution of the women of Wisynco, International Women's Day 2023 was observed under the theme Embracing Equity. We used the occasion to recognise our 680-strong female workforce with branded decorations and tokens of appreciation. Our subsequent Women's Day event included a 'Lunch and Learn' session with author and Communications Specialist Stacy-Ann Smith, where outstanding female employees were awarded.

To foster camaraderie and appreciation among our employees, we also celebrated the New Year in 2023 with a 90's Retro Vibes party for our staff and contractors, attended by nearly 4,000 employees, contractors, and guests.

Our dedication to fostering growth and development is rooted in our core company principles and embodies our vision for a brighter and more prosperous future.

Senior leaders spanning Production, HR and Manufacturing teams alongside CEO, Andrew Mahfood at LEAP Seminar.

RISK MANAGEMENT & INTERNAL CONTROL

Proactive Protection and Prevention

Wisynco embraces an enterprise risk management (ERM) framework that aligns with our mission, vision, and values to elevate company performance and shareholder value. This holistic approach systematically identifies, measures, prioritises, and addresses risks that affect our strategic initiatives and day-to-day operations. Our ERM framework comprises several key components, including defining objectives, identifying and assessing risks and their responses, measuring and monitoring risks, and evaluating the effectiveness of risk responses.

Overseeing the risk management process is the Audit and Risk Committee, a sub-committee of the Board. This committee reviews our enterprise-wide risk profile and evaluates top and emerging risks on a quarterly basis. The Executive Management Committee, led by our Chief Executive Officer, is responsible for implementing the strategy, culture, people, processes, technology, and structures that constitute the ERM Framework.

In support of our risk management programme, we employ the Three Lines Model to mitigate risks and threats effectively. A key component of this model is the internal audit function, overseen by the Audit and Risk Committee. The team performs risk-based audits and provides best-practice recommendations with a focus on mitigating risk and maximising opportunities. The annual audit plan, focusing on high-risk areas, is approved by the Committee.

FINANCIAL YEAR 2023

Wisynco's risk management policies and practices continue to evolve. During the 2023 financial year, the ERM team facilitated recurring self-assessments and reporting on emerging risks. In addition, the team embarked on enhancing current business continuity policies and practices to ensure resilience in the face of any threat. Some of the top and emerging risks are:

Talent Recruitment and Retention: Attracting talent continues to be a challenge as Jamaica experiences its lowest levels of unemployment amid strong economic growth. Wisynco has a strong talent agenda that we will continue to execute in the coming year.

Environmental Factors: Wisynco continues to invest heavily in energy and water to mitigate environmental constraints and reduce its overall impact on the environment. In addition, Wisynco actively contributes to the Board leadership of Recycling Partners of Jamaica to bolster the organisation's objective to remove plastic bottles from the environment as an early founder and influencer in the recycling movement in Jamaica.

Digital Transformation: Wisynco prides itself on innovation and is currently in the process of implementing digital technologies to further enhance the scale and growth of our business. We are carefully monitoring the risk of business disruption in the face of any digital transformation initiative and taking necessary precautions as needed.

Cyber Security Threats: In today's digital world, data security threats are at the highest levels ever seen. Wisynco is continually assessing this risk and has a multi-pronged approach to safeguarding its data assets from loss or theft, including the preparation of a data privacy programme to comply with Jamaica's new Data Privacy Act.

Artificial Intelligence: Advances in Artificial Intelligence pose emerging risks with global scale and unknown implications. As a company, we will continue to monitor this risk and its potential implications for our business.

INFORMATION TECHNOLOGY

Tech-Powered Growth

Information Technology (IT) is the catalyst that propels our marketing, distribution, and sales efforts and is the means through which we gain invaluable insights into consumer behaviour, market trends, and demand patterns. Using various technologies, we remained at the forefront of our industry with seamless communication and improved collaboration within our organisation.

Collaborating closely with our external partners and internal stakeholders, the IT team designed and implemented solutions that underpin our expanding business. A substantial portion of our efforts were centred on the Enterprise Resource Planning (ERP) project, a critical component of our business strategy. Our meticulous approach to this project involves maintaining strong governance and risk mitigation practices. Complementing this, we extended our systems to align with the Control Objectives for Information Technology (COBIT) framework standards, setting a strong foundation for scalability. Our primary aim with these new systems is to capture data accurately at the source and employ electronic processes that empower our users with advanced capabilities, ultimately benefiting our customers.

Additionally, the IT team continued to foster partnerships with technology providers both locally and internationally, reinforcing Wisynco's commitment to organic business growth. Ensuring our systems are future-ready, we expanded our capacities to support 24/7 availability, vital for managing inventories and meeting customer demands efficiently.

Furthermore, our relentless focus on operational effectiveness is evident in our efforts to enhance timely deliveries and inventory availability. Behind the scenes, we implemented functionalities to bolster our supply chain and logistics, all while enhancing data management for processing daily transactions.

Security remains paramount, considering the evolving landscape of Information Technology Security and Privacy. We updated our security systems, implemented access controls, and established additional security tools. This included enhancing security platforms and adopting advanced authentication methods beyond standard passwords. Ongoing end-user awareness training played a pivotal role in identifying and reporting suspicious activity.

Altogether, our department's efforts have strengthened our organisational roles and relationships, enriching our understanding of business functions. This, in turn, enables us to provide more robust tools that offer a competitive advantage. Technology is integral to every facet of our business and daily lives. Our commitment to enhancing our processes, upgrading our technology, and ensuring our staff's knowledge remains current reflects our dedication to innovation.

Consumer sampling TruSHAKE at retail outlet.

Our commitment to community development extends to our support for the School Boy Football Community Champions Outreach Program.

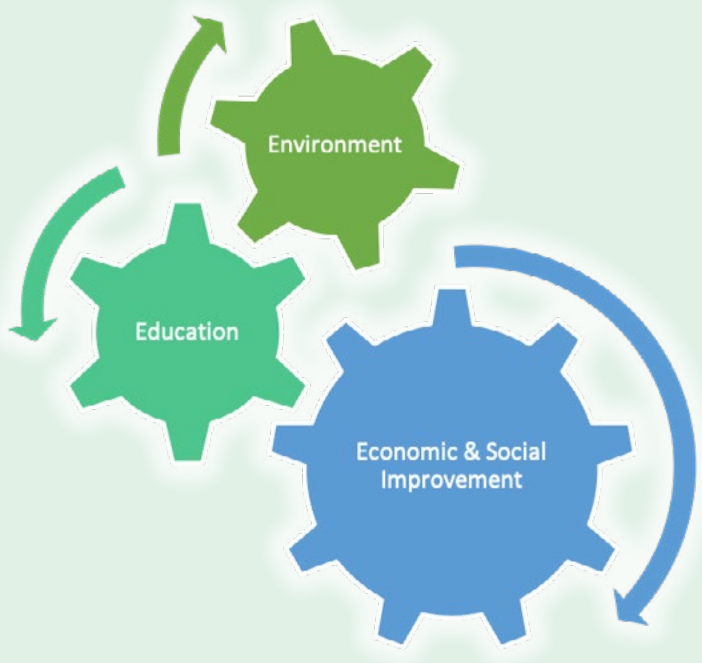
CSS

CORPORATE SOCIAL & SUSTAINABILITY REPORT

Wisynco is committed to adopting the Environmental, Social & Governance (ESG) reporting practices that will ensure the company's continued growth in a socially responsible and sustainable way. During fiscal 2023, the ESG committee was formed with the objectives:

- embedding responsible and sustainable practices into our operations in as much as innovation, available technology, logistics and costs allow us to do so; and
- reimagining our reporting pathways so that we can accurately capture and disclose material contributions which are relevant to measuring ESG impact.

The committee, with the support of the Board of Directors, has identified its three strategic areas of focus – Environment, Education, and Economic and Social Improvement.



CSS | ENVIRONMENTAL, SOCIAL & GOVERNANCE

Environment

WATER • ENERGY

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- Member of Recyling Partners of Jamaica (RPJ), providing continual financial support through over J$400 million in financial contributions this year, along with strategic direction in the areas of efficiency and collections.
- Invested over J$25 million and commissioned a recovery Reverse Osmosis (RO) plant that has been instrumental in achieving higher utilization of treated water and thus reducing waste in the latter half of the year.
- Introduced a new standby water well, ongoing improvements in water piping infrastructure upgrades, and the implementation of an advanced water purification system design exemplifying our unwavering commitment to efficiency. These infrastructure improvements are critical in enhancing our capacity to provide clean, sustainable water to our operations.
- Maintain a diverse range of energy sources, including energy generated by our LNG and Diesel power plant, and electricity harnessed from our solar farm, enhancing our operational resilience and minimizing our environmental impact by promoting the use of cleaner, renewable energy sources.

Diverse range of energy sources from LNG Plant.

- Significantly increased efforts in recycling waste materials and have successfully decreased the volume of solid waste disposed.
- Continued compliance with and successful certification in the ISO 14001 Environmental Management System standard.
- Continued commitment to local regulatory standards

Reverse Osmosis Plant

Education

LEARNING • DEVELOPMENT

- Launched an education campaign in honour of Jamaica's 60th anniversary of Independence and provided scholarships for 120 students and 80 teachers across the island totaling over J$12 million.
- Simultaneously in Q1-FY23, we launched our WATA back to school education initiative for employees and their children which provided grants to over 480 students at the primary, secondary and tertiary level totaling over J$8million.
- Our Wisynco TRAC programme, which supports employees who do not have formal qualifications to upgrade their proficiency in various subject areas such as English Language, Mathematics and EDPM (Electronic Document Preparation and Management) at the CSEC level, continued in 2023 with over 20 persons participating. We are pleased to announce that 5 persons sat the Mathematics and English examinations each and all were successful, achieving 100% pass rate.
- Through our Primary Exit Profile (PEP) scholarships we provided education grants totaling over J$1.2 million to assist 25 children of employees with their secondary school education

Economic/Social Improvement

JOB CREATION • COMMUNITY • HEALTH

- Wisynco employs more than 1,800 permanent employees and over 500 temporary and contracted employees across the island.
- 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$15 million to build 10 homes for Jamaicans through collaborative efforts with BOOM and Food For The Poor.
- Encouraged development of work ethic and created job opportunities for young people through internship program during the summer.
- Approved Paternity Leave Policy in FY23 allowing fathers to play vital role in early development of their child's life and changes to their family life.
- By offering workshops for Barbering, Music and Production, Nail Technology and Make-up for at-risk youth, Wisynco provides opportunities to enhance their lives.
- Supplied clean water to communities through donations to over 100 organizations.
- Promoted WATA 4-a-day campaign to raise awareness on the health benefits of drinking sufficient water.
- Committed over J$50 million to build and equip a gym for our employees at our Lakes Pen location.
- Introduced the Wisynco Health Safety and Wellbeing Fair where employees benefitted from free and subsidized health checks and medical examinations along with Safety and wellbeing demonstrations.

CSS | CORPORATE SOCIAL RESPONSIBILITY

Wisynco's commitment to corporate social responsibility continued to grow through our 2023 financial year as we built on existing initiatives and expanded our efforts into new endeavours. Our driving force remains our mission: "To Improve the lives of our people", guided by our values of Compassion, Humility, Integrity, Respect and Passion (C.H.I.R.P.).

Thanks to our extraordinary people and partners, we were able to create opportunities that foster the values that we live by, implement programs around the importance of health and wellness and increase access to education, supporting the limitless potential of Jamaica for all Jamaicans.

COMMUNITY DEVELOPMENT

BOOM with Love Campaign - Housing and Sustainable Living

The BOOM with Love campaign is dedicated to improving the socio-economic conditions of individuals and their families by providing shelter and implementing sustainable projects, thus establishing viable economic avenues for beneficiaries. Through this initiative, we collaborate with Food for The Poor's Build Back the Love for Jamaica campaign to provide housing for the homeless in Jamaica. Since its inception in 2020, the partnership has financed a total of 30 houses, significantly improving the lives of individuals and families across the nation. This initiative directly contributes to enhancing the living conditions of marginalized communities. In fiscal year 2023, we successfully delivered an additional 10 housing solutions, all furnished and equipped with living necessities, in eight (8) communities across Westmoreland, St. Catherine, Manchester, and St. James.

From left: Francois Chalifour, director of marketing at Wisynco Group, presents a symbolic cheque to Kavette Silvera and Craig Moss-Solomon, executive directors of Food for the Poor, Jamaica, during a small launch ceremony earlier this month. KENYON HEMANS/PHOTOGRAPHER

FFP, partners continue legacy of love in building homes

Asha Wilks/Gleaner Writer

THROUGH ITS Build Back the Love for Jamaica campaign, charity organisation Food For the Poor (FFP) Jamaica is building on its ... tradition of assisting underprivilege...

In conjunctio... Energy Drink r... Love campaign... Spanish Town, S... to sponsoring ... Jamaicans in n... houses they h...

"We want ... declared Andr... which celebr...

During his ... the impact ... Mahfood, w... passionate ... fortunate.

"Forty y... legacy, his ... which start... of poverty... taught us ... he said.

Throug...

from across the diaspora and Jamaica, FFP has constructed roughly 37, 000 homes and contributed to the construction of more than 300 schools in Jamaica since it was founded in 1983.

The latest campaign seeks to improve socioeconomic circumstances of the less fortunate by providing them with shelter and a ...

Wisynco Group Limited, which manufactures and distributes Boom Energy Drink, challenged corporate Jamaica to get on board and "do more and use Food for the Poor more as a vehicle to contribute [and] give back".

"I think Jamaica doesn't necessarily appreciate, really well, what Food For the Poor was able to achieve," he said, noting that the ...

Striving for more

Disabled mother of four gets new house for family

BEING BORN with a severe physical deformity has not deterred Cetterber Sitcheran from striving for a better life for her family. A chance encounter with a Food For The Poor (FFP) Jamaica representative proved to be a life-changing moment for the mother of four who had been living in a two-bedroom house with more than 10 family members for many years.

Sitcheran is now the owner of a house, after becoming a recipients of Boom Energy Drink's Boom with Love initiative which provides vulnerable people across Jamaica with homes through a partnership with FFP Jamaica.

Thirty-one-year-old Sitcheran was born with one arm and no legs, and often faces ridicule from others. However, she said her family has always been by her side.

"Growing up, I did not know I was different from anybody else because where I grew up, they treated me like I was normal. It wasn't until we [my family] moved to Little London when I was nine years old and the kids in school did not want to play with me or talk to me, that I knew I was not like them," explained Sitcheran.

"It is hard, but I have to give thanks to God because I have life. My family also helps me out a lot. When I was pregnant, my brother or mother would carry me on their back when it became difficult for me to get around on my hand alone."

Housing recipient, Cetterber Sitcheran hand washes clothes outside her new home in Little London, Westmoreland. The mother of four was born with one arm and no legs but says this does not prevent her from taking care of her home and children. CONTRIBUTED PHOTOS

Sitcheran's disability has made it difficult for her to secure employment, forcing her to depend on her mother and her spouse.

INJURED ON THE JOB

"My children's father doesn't have a steady job, but does odd jobs. He was injured on the job because he used to lift heavy things at work and he pulled a ... back and feet which also impacts his ability to work because when he is in pain he can't manage to work," she explained.

Sitcheran noted that this affects her children's attendance at school.

"My kids go to school, but not daily. Sometimes it is two or three days a week, based on how the money is set up that week. My first son gets help from his father and my younger one gets ...

Cetterber Sitcheran (centre) shares a moment with her four children (from left), Orlando Keddo, Tavaughnie Houghton, Tabyha Keddo and Nicholas Keddo. The family received a two-bedroom house donated by Boom Energy Drink through Food For The Poor's Build Back The Love for Jamaica campaign.

Footballers fuel up with TruSHAKE.

Jamaica Creative Unit Career Expo

Wisynco partners with the Jamaica Creative Unit – a division of the Ministry of Culture, Gender, Entertainment and Sport, to promote various creative industries in Jamaica – help in the staging of the Career Expo event. This event is tailored for senior students in high schools and tertiary institutions, and showcases creative professions such as the performing arts, entertainment, music, culinary arts, publishing, film, sports, and fashion. By providing students with comprehensive knowledge about these career paths, the expo empowers them to make informed decisions and encourages their entry into creative industries.

School Boy Football Community Champions Outreach Program

Our commitment to community development extends to our support for the School Boy Football Community Champions Outreach Program. This program harnesses the passion of young football players to bring about positive change in their local communities. It includes various components, such as community service projects where players actively engage in initiatives like neighbourhood clean-ups, food drives, and volunteering at basic schools and golden age homes. Mentorship programs connect players with experienced community leaders, coaches, and professionals who provide guidance and support. Skill-building workshops cover essential areas like leadership, communication, teamwork, financial literacy, and career exploration. Educational support is offered through tutoring sessions, study groups, college and job readiness workshops, and access to resources for academic success. Additionally, players actively participate in community engagement activities, fostering a sense of belonging and making a meaningful impact.

Community Clean-Up and Environmental Programs

Throughout the financial year, the company continued to act as primary financier and champion to Recycling Partners of Jamaica (RPJ) which is the charitable non-government organization responsible for recycling polyethylene terephthalate (PETE) bottles island wide. Recycling efforts through RPJ involved collection, baling and exporting of bottles yielding a significant increase in collection rates upwards of 30% for fiscal 2023 compared to 16% in the previous year.

Wisynco's staff members actively contribute to community beautification initiatives and participate in nationwide environmental programs. Notably, the company organizes beach clean-ups in collaboration with RPJ. This hands-on involvement in environmental preservation showcases the employees' dedication to maintaining clean and sustainable surroundings.

Other Community based activities

Throughout the year, we actively engage with the community and extend our support through various activities. One of our key partnerships is with Jamaica Youth for Christ, a Christian youth organization dedicated to enhancing the lives of young individuals through community tours, outreach programs, training seminars, talent competitions, and more.

In addition to our community engagement efforts, we organize an annual Christmas treat and donated to the Denham Town Senior Citizens Association. We also lend our support to the Kissock Laing Foundation, which is dedicated to improving the lives of older adults by providing essential services and support.

We support persons with disabilities by working with the Jamaica Blind and Visually Impaired Cricket Association (JAVICA), an organization devoted to promoting cricket among blind and visually impaired individuals. We extend our assistance to The Sir John Golding Rehabilitation Centre, which offers rehabilitation services for individuals with disabilities and we assist the Jamaica Autism Support Association, which provides valuable programs and initiatives to support individuals with autism and their families.

EDUCATION

WATA Jamaica 60th Education grant

WATA has supported initiatives focused on education and youth development. During the period under review, the brand demonstrated its commitment to education by presenting $12 million worth of scholarships to 120 students and 80 teachers through the WATA Jamaica 60 campaign. The scholarships were made possible due to the unwavering support of Jamaicans who selected WATA as their preferred beverage choice between during the first half of fiscal 2023, endorsing the company's dedication to allocating one dollar from the sale of every 60ml special edition bottle.

Additionally, WATA proudly sponsors TVJ's Schools Challenge Quiz, provides grants and scholarships to students participating in the Primary Exit Profile (PEP) examination and is a major sponsor of ISSA's School Boy Football, emphasizing the importance of education and sports in youth development.

Trade Works Foundation Workshops

The company empowers at-risk youth by offering workshops in various trades such as barbering, music, cosmetology, nail technology, production, and makeup. These workshops provided vocational skills and equipped participants with essential business skills for their chosen fields. The partnership with the Alpha Institute to teach barbering and business skills has served over 400 participants. Moreover, the implementation of an internship initiative has led to 26 individuals being offered employment opportunities. Additionally, each year, a 21 full scholarships have been awarded to students to learn barbering and/or attend high school.

UTech students at CranWata Tag Drive.

Successful participant celebrating his completion of the Tru-Juice 5K.

HEALTH & WELLNESS

Tru-Juice 5K Walk/Run for Linstead Hospital

Wisynco continued to be the driving force behind the Tru-Juice 5K Walk/Run, an event aimed at supporting Linstead Hospital, a crucial healthcare facility in the community. The proceeds generated from this event are directed toward acquiring medical equipment such as ECG machines, transport stretchers, infant warmers, and blood analyzers.

BIGGA School Sanitation Programme

The BIGGA School Sanitation Programme addresses sanitation needs in schools with limited access to consistent running water. The initiative is aligned with our commitment to promoting good hygiene practices, coming out of the COVID-19 pandemic. By implementing water storage solutions, we contribute to the safety and well-being of students.

Jamaica Island Nutrition Network (JINN)

Through our brand WATA in partnership with Trade Winds Citrus' TruSHAKE brand we supported Jamaica Island Nutrition Network's annual symposium aimed at promoting proper nutrition among children. The symposium addresses issues related to poor nutrition and its impact on various aspects of children's lives. This year's theme, 'Shaping Minds through Nutrition', focused on the important role that nutrition pays in the mental health and wellness of our students.

Bellevue Hospital Moves Initiative

Wisynco supports the Bellevue Hospital Moves initiative, which aims to facilitate stress relief and exercise for the hospital staff. Recognizing the demanding nature of providing psychiatric care, this initiative encourages staff members to engage in exercise activities on the last Friday of each month. By promoting well-being and alleviating stress, this initiative benefits the mental and physical health of the hospital staff, caregivers, clients and visitors.

ENVIRONMENTAL STEWARDSHIP

Sustainable Water and Energy Management

We take pride in our sustainable water and energy management practices, which contribute significantly to our overall environmental responsibility. We have bolstered our efforts by the commissioning of a recovery reverse osmosis plant that has been instrumental in achieving higher utilization of treated water, thus reducing waste in the latter half of the year.

Water Infrastructure Enhancements

To further ensure the resilience and efficiency of our water management, we have made substantial investments. The introduction of a new standby water well, ongoing water piping infrastructure upgrades, and the implementation of an advanced water purification system design exemplify our unwavering commitment to efficiency. These infrastructure improvements are critical in enhancing our capacity to provide clean, sustainable water to our operations.

Diverse Energy Sources:

Our commitment to reducing our carbon footprint remains steadfast. To achieve this goal, we maintain a diverse range of energy sources, including power drawn from our local grid, energy generated by our LNG and Diesel power plant, and electricity harnessed from our solar farm. This diverse energy mix not only enhances our operational resilience but also minimizes our environmental impact by promoting the use of cleaner, renewable energy sources.

Waste Management and Reduction

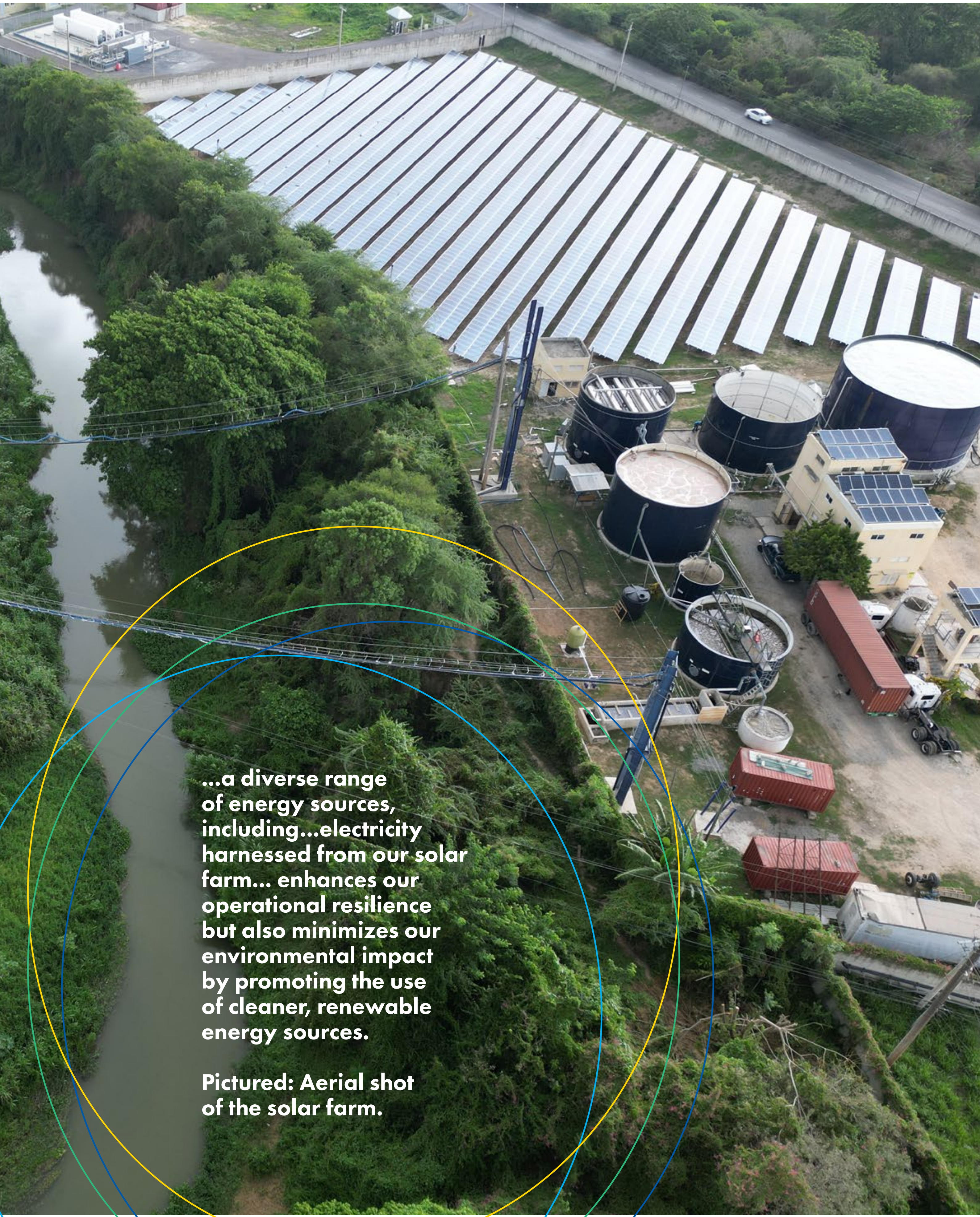
We recognize that responsible waste management is integral to environmental stewardship. In line with this commitment, we have significantly increased our efforts in recycling waste materials, thereby diverting a larger portion of waste away from landfills. Concurrently, we have successfully decreased the volume of solid waste disposed, reflecting our proactive stance on reducing waste generation. These efforts underscore our unwavering dedication to minimizing our environmental footprint.

ISO 14001 Environmental Management System

We take pride in our continued compliance with the ISO 14001 Environmental Management System standard. This internationally recognized framework has guided our efforts to systematically manage our environmental responsibilities, ensuring that we meet the highest environmental performance standards.

Adherence to Local Regulatory Standards

In addition to international standards, we remain fully committed to adhering to local regulatory standards. Our compliance with these standards reflects our respect for local communities and ecosystems while ensuring that our operations align with the broader sustainability goals of the regions in which we operate.



...a diverse range of energy sources, including...electricity harnessed from our solar farm... enhances our operational resilience but also minimizes our environmental impact by promoting the use of cleaner, renewable energy sources.

Pictured: Aerial shot of the solar farm.


ORIGINAL
BOOM
ENERGY DRINK
Ginseng
Net Content: 355 mL (12 fl oz)
www.wisynco.com

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 2023, 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 2023;
- 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 2023;
- 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.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: 876) 922 7581, www.pwc.com/jm

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.

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 judgement, 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
Impairment assessment for the Group's shareholding in associated company (Group and Company) *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.* During the financial year, JP Snacks Caribbean Limited, an associated company of the Group, incurred losses. This was considered to be an indicator of impairment and resulted in management performing a formal impairment assessment. At 30 June 2023, the investment in JP Snacks Caribbean Limited was carried at $417 million in the financial statements of the Group and the Company, and represented 1.29% of total assets for the Group and 1.3% of total assets for the Company. For the year ended 30 June 2023, the Group and the Company recorded impairment losses of $105 million and $169 million respectively. 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 that the investment was impaired. 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.	Our approach to addressing the matter, with the assistance of our valuation expert, involved the following procedures, amongst others: • 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. • 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: ○ 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. .

pwc

Key audit matter	How our audit addressed the key audit matter
	• Tested the mathematical accuracy of management's model and considered the sensitivity of the recoverable amount by factoring in 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.

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 judgement 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 2023
Kingston, Jamaica

Consolidated Statement of Comprehensive Income

Year ended 30 June 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Revenue	5	48,705,454	39,045,880
Cost of sales		(31,850,418)	(25,794,948)
Gross Profit		16,855,036	13,250,932
Other operating income	6	252,781	151,559
Selling and distribution expenses		(9,160,849)	(7,094,702)
Administration expenses		(1,789,583)	(1,437,412)
Operating Profit		6,157,385	4,870,377
Finance income	9	444,487	301,258
Finance costs	10	(131,347)	(149,059)
Impairment loss on investment in associated company	17	(105,369)	-
Share of results of associated company	17	(52,103)	(28,124)
Profit before Taxation		6,313,053	4,994,452
Taxation	11	(1,390,478)	(940,769)
Net Profit		4,922,575	4,053,683
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign subsidiary		6,606	(570)
Share of other comprehensive income of associate	17	3,691	18,504
Items that will not be reclassified to profit or loss			
Unrealised (losses)/gains on investment securities	19	(45,754)	114,701
Total Comprehensive Income		4,887,118	4,186,318
Earnings Per Stock Unit attributable to stockholders of the Group	12		
Basic and Fully Diluted		$1.31	$1.08
		$1.31	$1.08

Consolidated Statement of Financial Position

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Non-Current Assets			
Property, plant and equipment	14	7,560,385	6,276,824
Intangible assets	15	1,639	6,911
Investment in associate	17	416,780	570,561
Loans receivable	18	272,195	212,723
Investment securities	19	1,304,141	1,070,595
		9,555,140	8,137,614
Current Assets			
Inventories	20	6,151,108	5,415,339
Receivables and prepayments	21	5,451,499	4,017,597
Investment securities	19	1,105,844	641,526
Cash and short-term deposits	22	10,129,216	7,679,736
		22,837,667	17,754,198
Current Liabilities			
Trade and other payables	23	6,330,489	5,998,416
Short-term borrowings	24	1,014,872	759,322
Lease liabilities	25	114,808	63,115
Taxation payable		798,186	453,639
		8,258,355	7,274,492
Net Current Assets		14,579,312	10,479,706
		24,134,452	18,617,320

Consolidated Statement of Financial Position (Continued)

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Equity			
Capital and reserves attributable to the company's equity holders			
Share capital	26	1,261,259	1,258,319
Other reserves	27	558,266	515,130
Translation reserve	28	88,095	77,798
Retained earnings	29	19,218,397	15,985,222
		21,126,017	17,836,469
Non-Current Liabilities			
Deferred tax liabilities	30	41,982	33,885
Borrowings	24	2,926,408	642,053
Lease liabilities	25	40,045	104,913
		3,008,435	780,851
		24,134,452	18,617,320

Approved for issue by the Board of Directors on and signed 24 August 2023 on its behalf by:

Andrew Mahfood Director

William Mahfood Director

Consolidated Statement of Changes in Equity

Year ended 30 June 2023
(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 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 Long Term Incentive Plan(LTIP)	4,125	65,672	(14,676)	-	-	50,996
LTIP expenses, net of taxes	-	-	46,066	-	-	46,066
Dividends (Note 33)	-	-	-	(1,501,218)	-	(1,501,218)
	4,125	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
Net profit	-	-	-	4,922,575	-	4,922,575
Changes in fair value of equity instruments measured at fair value through other comprehensive income (Note 19)	-	-	(45,754)	-	-	(45,754)
Share of other comprehensive income of associate (Note 17)	-	-	-	-	3,691	3,691
Exchange differences on translating foreign subsidiary	-	-	-	-	6,606	6,606
Total comprehensive income	-	-	(45,754)	4,922,575	10,297	4,887,118
Transactions with owners -						
Shares issued through LTIP	162	2,940	-	-	-	2,940
LTIP expenses, net of taxes	-	-	88,890	-	-	88,890
Dividends (Note 33)	-	-	-	(1,689,400)	-	(1,689,400)
	162	2,940	88,890	(1,689,400)	-	(1,597,570)
Balance at 30 June 2023	3,754,287	1,261,259	558,266	19,218,397	88,095	21,126,017

Consolidated Statement of Cash Flows

Year ended 30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Operating Activities			
Cash provided by operating activities	31	4,320,566	3,108,449
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	14	(2,371,688)	(424,323)
Purchase of investments	19	(1,170,720)	(640,367)
Net withdrawals of deposits over 3 months		-	291,935
Proceeds from the sale of property, plant and equipment		26,812	5,466
Proceeds from the sale of investment securities		461,578	77,122
Dividend received		530	593
Long term receivable		(59,472)	(7,038)
Interest received		437,921	320,205
Cash used in investing activities		(2,675,039)	(376,407)
Cash Flows from Financing Activities			
Interest paid		(59,123)	(110,152)
Proceeds from shares issued under LTIP		1,869	50,996
Long-term loans repaid	31	(661,950)	(661,950)
Lease liabilities repaid		(160,242)	(131,913)
Loan commitment fees paid	31	-	(8,000)
Long-term loans received	31	3,200,000	-
Dividend paid		(1,576,739)	(1,500,393)
Cash provided by/(used in) financing activities		743,815	(2,361,412)
Increase in cash and cash equivalents		2,389,342	370,630
Cash and cash equivalents at beginning of year		7,582,364	7,265,567
Effects of changes in foreign exchange rates on cash and cash equivalents		60,088	(53,833)
Cash and Cash Equivalents at End of Year	22	10,031,794	7,582,364

Company Statement of Comprehensive Income

Year ended 30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Revenue	5	48,693,012	39,034,887
Cost of sales		(31,813,064)	(25,777,760)
Gross Profit		16,879,948	13,257,127
Other operating income	6	241,372	141,564
Selling and distribution expenses		(9,233,120)	(7,151,909)
Administration expenses		(1,801,254)	(1,443,782)
Operating Profit		6,086,946	4,803,000
Finance income	9	444,487	301,258
Finance costs	10	(131,347)	(147,694)
Impairment loss on investment in associated company	17	(169,389)	-
Profit before Taxation		6,230,697	4,956,564
Taxation	11	(1,390,478)	(940,769)
Net Profit		4,840,219	4,015,795
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Unrealised (losses)/gains on investment securities	19	(45,754)	114,701
Total Comprehensive Income		4,794,465	4,130,496

Company Statement of Financial Position

30 June 2023

(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Non-Current Assets			
Property, plant and equipment	14	7,560,385	6,276,824
Intangible assets	15	1,639	6,911
Investment in subsidiary	16	11,375	11,375
Investment in associate	17	416,780	586,169
Loans receivable	18	272,195	212,723
Investment securities	19	1,304,141	1,070,595
		9,566,515	8,164,597
Current Assets			
Inventories	20	6,151,108	5,415,339
Receivables and prepayments	21	5,399,608	3,988,732
Investment securities	19	1,105,844	641,526
Cash and short-term deposits	22	9,802,879	7,425,124
		22,459,439	17,470,721
Current Liabilities			
Trade and other payables	23	6,285,364	5,970,997
Short-term borrowings	24	1,014,872	759,322
Lease liabilities	25	114,808	63,115
Taxation payable		798,186	453,639
		8,213,230	7,247,073
Net Current Assets		14,246,209	10,223,648
		23,812,724	18,388,245
Shareholders' Equity			
Share capital	26	1,261,259	1,258,319
Other reserves	27	558,266	515,130
Retained earnings		18,984,764	15,833,945
		20,804,289	17,607,394
Non-Current Liabilities			
Deferred tax liabilities	30	41,982	33,885
Borrowings	24	2,926,408	642,053
Lease liabilities	25	40,045	104,913
		3,008,435	780,851
		23,812,724	18,388,245

Approved for issue by the Board of Directors on and signed 24 August 2023 on its behalf by:

Andrew Mahfood Director

William Mahfood Director

Company Statement of Changes in Equity

Year ended 30 June 2023

(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 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
LTIP expenses, net of taxes		-	-	46,066	-	46,066
Dividends	33	-	-	-	(1,501,218)	(1,501,218)
		4,125	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
Net profit		-	-	-	4,840,219	4,840,219
Changes in fair value of equity instruments measured at fair value through other comprehensive income	19	-	-	(45,754)	-	(45,754)
Total comprehensive income		-	-	(45,754)	4,840,219	4,794,465
Transactions with owners -						
Amount held as treasury shares						
Shares issued through LTIP		162	2,940	-	-	2,940
LTIP expenses, net of taxes		-	-	88,890	-	88,890
Dividends	33	-	-	-	(1,689,400)	(1,689,400)
		162	2,940	88,890	(1,689,400)	(1,597,570)
Balance at 30 June 2023		3,754,287	1,261,259	558,266	18,984,764	20,804,289

Consolidated Statement of Cash Flows

Year ended 30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	2023 $'000	2022 $'000
Operating Activities			
Cash provided by operating activities	31	4,248,744	3,035,963
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	14	(2,371,688)	(424,323)
Proceeds from the sale of property, plant and equipment		26,812	5,466
Purchase of investment securities	19	(1,170,720)	(640,367)
Proceeds from the sale of investment securities		461,578	77,122
Long term receivables net		(59,472)	(7,038)
Net withdrawals of deposits over 3 months		-	291,935
Dividend received		530	593
Interest received		437,921	320,204
Cash used in investing activities		(2,675,039)	(376,408)
Cash Flows from Financing Activities			
Interest paid		(59,123)	(110,151)
Proceeds from shares issued under LTIP		1,869	50,996
Long-term loans repaid	31	(661,950)	(661,950)
Lease liabilities repaid		(160,242)	(131,913)
Long-term loans received	31	3,200,000	-
Commitment fees paid	31	-	(8,000)
Dividend paid		(1,576,739)	(1,500,393)
Cash provided by/(used in) financing activities		743,815	(2,361,411)
Increase in cash and cash equivalents		2,317,520	298,144
Cash and cash equivalents at beginning of year		7,327,752	7,083,441
Effects of changes in foreign exchange rates on cash and cash equivalents		60,185	(53,833)
Cash and Cash Equivalents at End of Year	22	9,705,457	7,327,752

Notes to the Financial Statements

30 June 2023
(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 together with the wholly owned subsidiary, Indies Insurance Company Limited, incorporated and resident in St. Lucia as well as associate JP Snacks Caribbean 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 has put into effect the following, which are immediately relevant to its operations.

Notes to the Financial Statements

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards effective in current year (continued)

- Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16
- Reference to the Conceptual Framework – Amendments to IFRS 3
- Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018–2020

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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). This amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendment also aims to improve information an entity provides related to liabilities subject to these conditions. The adoption of this amendment is not expected to have a significant impact on the Group.

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 2022 (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 2023

(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 2023
(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	
				2023	2022
Indies Insurance Company Limited	30 June	St. Lucia	Captive insurance	100	100

Notes to the Financial Statements

30 June 2023
(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	
				2023	**2022**
JP Snacks Caribbean Limited and its subsidiaries	31 December	Cayman Islands	Manufacturing and distribution	30.0	30.0

Notes to the Financial Statements

30 June 2023

(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 2023
(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 2023

(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 2023
(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 2023
(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 2023

(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 2023
(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;
- 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 the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less.

Notes to the Financial Statements

30 June 2023
(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 2023

(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 2023
(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 2023
(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 2023

(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 2023

(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 2023
(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	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Receivables	5,358,857	3,965,410	5,306,981	3,936,560
Cash and short-term deposits	10,129,216	7,679,736	9,802,879	7,425,124
Investment securities	2,282,325	1,538,707	2,282,325	1,538,707
Loans receivable	272,195	212,723	272,195	212,723
	18,042,593	13,396,576	17,664,380	13,113,114

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

	2023			2022		
	Gross Carrying Amount $'000	Loss Allowance $'000	Expected loss rate	Gross Carrying Amount $'000	Loss Allowance $'000	Expected loss rate
0 to 30 days	2,438,993	2,111	.09%	2,071,699	-	-
31 to 60 days	612,738	14,895	2.4%	596,228	-	-
60 to 90 days	140,176	7,323	5.2%	200,732	-	-
90 days or more	5,367	5,367	100%	80,451	34,026	42%
Gross amount	3,197,274	29,696		2,949,110	34,026	

Notes to the Financial Statements

30 June 2023
(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	
	2023 $'000	**2022 $'000**
At 1 July	34,026	39,965
Provision for receivables impairment	5,972	6,891
Bad debt written off	(5,557)	(4,696)
Bad debt recovered	(4,745)	(8,134)
At 30 June	29,696	34,026

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	
	2023 $'000	**2022 $'000**
Retail	1,824,584	1,682,235
Wholesale	851,195	683,933
Hotels and Restaurants	316,391	401,569
Export	205,104	181,373
	3,197,274	2,949,110
Less: Provision for credit losses	(29,696)	(34,026)
	3,167,578	2,915,084

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 has been recognised in the current year. There were no stage migrations in the current year and prior year.

Notes to the Financial Statements

30 June 2023
(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 (2022 - $64,500,000).

Notes to the Financial Statements

30 June 2023
(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 $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
	2023					
Liabilities						
Borrowings	149,894	169,943	904,334	3,297,093	164,978	4,686,242
Lease liabilities	12,995	25,258	80,846	45,434	-	164,533
Trade and other payables	3,843,901	1,597,997	488,373	-	-	5,930,271
Total financial liabilities	4,006,790	1,793,198	1,473,553	3,342,527	164,978	10,781,046

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

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 2023
(Expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

	The Company					
	Within 1 Month $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Total $'000
	2023					
Liabilities						
Borrowings	149,894	169,943	904,334	3,297,093	164,978	4,686,242
Lease liabilities	12,995	25,258	80,846	45,434	-	164,533
Trade and other payables	3,843,901	1,597,997	196,955	-	-	5,638,853
Total financial liabilities	4,006,790	1,793,198	1,182,135	3,342,527	164,978	10,489,628

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

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 2023
(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$7,717,080,000 and J$7,253,389,000 at 30 June 2023 (2022 - J$10,232,088,000 and J$9,977,926,000) respectively. The Group and Company also have cash and deposits net of accounts payable denominated in Euros, amounting to an asset of J$621,730,969 (2022 - J$60,857,043).

Notes to the Financial Statements

30 June 2023
(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
		2023		2022
	%	$'000	%	$'000
Currency:				
USD - revaluation	+1	(77,171)	+1	(102,321)
USD - devaluation	-4	308,683	-4	409,284
EURO - revaluation	+1	(6,217)	+1	(608)
EURO - devaluation	-4	24,869	-4	2,434

	The Company			
	% Change in Currency Rate	Effect on Profit before Taxation	% Change in Currency Rate	Effect on Profit before Taxation
		2023		2022
	%	$'000	%	$'000
Currency:				
USD - revaluation	+1	(72,534)	+1	(99,775)
USD - devaluation	-4	290,135	-4	399,099
EURO - revaluation	+1	(6,217)	+1	(608)
EURO - devaluation	-4	24,869	-4	2,434

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30 June 2023

(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						
	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
	2023						
Assets							
Investment securities	-	-	1,980,116	302,209	-	127,660	2,409,985
Receivables	-	-	-	-	-	5,358,857	5,358,857
Cash and short-term deposits	5,626,513	4,502,220	-	-	-	483	10,129,216
Long-term receivable	1,847	1,189	10,877	252,765	5,517	-	272,195
Total financial assets	5,628,360	4,503,409	1,990,993	554,974	5,517	5,487,000	18,170,253
Liabilities							
Borrowings	132,859	121,258	751,963	2,775,200	160,000	-	3,941,280
Trade and other payables	-	-	-	-	-	5,930,271	5,930,271
Lease liabilities	12,187	23,823	76,980	41,863	-	-	154,853
Total financial liabilities	145,046	145,081	828,943	2,817,063	160,000	5,930,271	10,026,404
Total interest repricing gap	5,483,314	4,358,328	1,162,050	(2,262,089)	(154,483)	(443,271)	8,143,849
Cumulative interest repricing	5,483,314	9,841,642	11,003,692	8,741,603	8,587,120	8,143,849	-

Notes to the Financial Statements

30 June 2023
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3. Financial Risk Management (Continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

	The Group						
	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	Total $'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	644,800	-	-	1,401,375
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	736,213	-	5,682,589	7,251,992
Total interest repricing gap	3,595,666	3,949,154	(61,735)	72,745	305,466	(1,543,298)	6,317,998
Cumulative interest repricing	3,595,666	7,544,820	7,483,085	7,555,830	7,861,296	6,317,998	-

Notes to the Financial Statements

30 June 2023

(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 $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'000
				2023			
Assets							
Investment securities	-	-	1,980,116	302,209	-	127,660	2,409,985
Receivables	-	-	-	-	-	5,306,981	5,306,981
Cash and short-term deposits	5,626,513	4,175,883	-	-	-	483	9,802,879
Long term receivable	1,847	1,189	10,877	252,765	5,517	-	272,195
Total financial assets	5,628,360	4,177,072	1,990,993	554,974	5,517	5,435,124	17,792,040
Liabilities							
Borrowings	132,859	121,258	751,963	2,775,200	160,000	-	3,941,280
Lease liabilities	12,187	23,823	76,980	41,863	-	-	154,853
Trade and other payables	-	-	-	-	-	5,638,853	5,638,853
Total financial liabilities	145,046	145,081	828,943	2,817,063	160,000	5,638,853	9,734,986
Total interest repricing gap	5,483,314	4,031,991	1,162,050	(2,262,089)	(154,483)	(203,729)	8,057,054
Cumulative interest repricing	5,483,314	9,515,305	10,677,355	8,415,266	8,260,783	8,057,054	-

Notes to the Financial Statements

30 June 2023
(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 $'000	1 to 3 Months $'000	3 to 12 Months $'000	1 to 5 Years $'000	Over 5 Years $'000	Non-Interest Bearing $'000	Total $'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	644,800	-	-	1,401,375
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	736,213	-	5,655,170	7,224,573
Total interest repricing gap	3,341,054	3,949,154	(61,735)	72,745	305,466	(1,544,729)	6,061,955
Cumulative interest repricing	3,341,054	7,290,208	7,228,473	7,301,218	7,606,684	6,061,955	-

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

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3. Financial Risk Management (Continued)

(c) Market risk (continued)

(iii) Price risk (continued)

The table below summarises the impact of (decreases)/increase on the Company's other components of equity. The analysis is based on the assumption that the equity prices had increased by 6% and decreased by 3% (2022 - 5% increase and decrease) with all other variables held constant.

	Equity Securities	
	Effect on Other Components of Equity	Effect on Other Components of Equity
	2023	2022
Change in index:	$'000	$'000
Decrease of 3% (2022 – 5%)	(3,830)	(8,671)
Increase of 6% (2022 – +5%)	7,660	8,671

(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 2023	Actual 2022
Minimum current assets to current liabilities	1.20:1	2.73	2.41:1
Minimum earnings before interest, taxation depreciation and amortisation	2.1	7.09	7.97
Maximum debt to earnings before interest, taxation depreciation and amortisation	2.33:1	0.55:1	0.23:1
Minimum interest cover	2.9 times	55 times	55 times
Minimum debt service coverage margin	2.0 times	6.27 times	6.71 times

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(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 corporate bonds, 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**
		2023		
Investment securities –				
Quoted equities	127,660	-	-	127,660

	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
		2022		
Investment securities –				
Quoted equities	173,414	-	-	173,414

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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

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5. Revenue

Revenues can be disaggregated as follows:

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Export	1,135,710	1,073,369	1,135,710	1,073,369
Local	46,853,263	37,297,276	46,853,263	37,297,276
Related parties	704,039	664,242	704,039	664,242
Revenue transferred at a point in time	48,693,012	39,034,887	48,693,012	39,034,887
Revenue from insurance contracts (being total revenue recognised over time)	12,442	10,993	-	-
	48,705,454	39,045,880	48,693,012	39,034,887

6. Other Operating Income

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Bad debts recovered	4,126	8,134	4,126	8,134
Commission income	11,409	9,995	-	-
Discount received	32,106	24,175	32,106	24,175
Gain on disposal of property, plant and equipment	26,586	5,466	26,586	5,466
Management fees (Note 13(e))	10,223	10,229	10,223	10,229
Other	75,340	29,333	75,340	29,333
Rebates	34,440	31,518	34,440	31,518
Rental income (Note 13(e))	27,350	26,840	27,350	26,840
Storage income	31,201	5,869	31,201	5,869
	252,781	151,559	241,372	141,564

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7. Expenses by Nature

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Advertising costs	762,361	432,543	762,361	432,543
Audit fees	20,067	17,299	16,950	14,675
Bad debt expense	31,533	6,891	31,533	6,891
Commissions	189,134	143,456	189,134	143,456
Cost of inventory recognised as expense	27,530,467	22,288,968	27,530,467	22,288,968
Delivery and motor vehicle expenses	2,449,380	1,946,242	2,449,380	1,946,242
Directors' fees	16,200	18,420	16,200	17,060
Insurance	45,462	41,227	322,574	293,122
Other operating expenses	1,674,738	1,366,740	1,447,331	1,165,218
Property expenses, including depreciation	3,093,352	2,450,109	3,093,352	2,450,109
Royalties (Note 13 (d))	24,900	26,267	24,900	26,267
Staff costs (Note 8)	6,335,149	5,074,512	6,335,149	5,074,512
Utilities	628,107	514,388	628,107	514,388
	42,800,850	34,327,062	42,847,438	34,373,451

8. Staff Costs

	The Group and Company	
	2023	**2022**
	$'000	**$'000**
Wages and salaries	5,016,346	4,086,897
Statutory contributions	604,974	441,421
Other	448,304	322,264
Pension contributions (Note 32)	195,710	169,672
LTIP expenses	69,251	31,406
Termination costs	564	22,852
	6,335,149	5,074,512

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9. Finance Income

	The Group and Company	
	2023	2022
	$'000	$'000
Dividend income	530	593
Interest income	443,957	300,665
	444,487	301,258

10. Finance Costs

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Interest expense -				
Bank borrowings	59,859	100,054	59,859	100,054
Leases (Note 25)	14,263	8,725	14,263	8,725
	74,122	108,779	74,122	108,779
Foreign exchange loss	51,911	34,712	51,911	34,712
Net foreign exchange loss on foreign currency leases	3,508	3,431	3,508	3,431
Other	1,806	2,137	1,806	772
	131,347	149,059	131,347	147,694

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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	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Current income tax	1,286,700	1,041,019	1,286,700	1,041,019
Prior year under-accrual /(over-accrual)	74,972	(48,829)	74,972	(48,829)
Deferred income tax (Note 30)	28,806	(51,421)	28,806	(51,421)
	1,390,478	940,769	1,390,478	940,769

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	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Profit before tax	6,313,053	4,994,452	6,230,697	4,956,564
Tax calculated at applicable tax rate	1,578,263	1,248,613	1,557,674	1,239,141
Adjusted for the effects of:				
Income not subject to tax	-	(32,978)	-	(32,978)
Expenses not deductible for tax purposes	35,897	2,892	51,903	2,892
Share of results of associate	13,025	7,031	-	-
Employment tax credit	(291,484)	(257,160)	(291,484)	(257,160)
Adjustment to prior provision	74,972	(48,829)	74,972	(48,829)
Prior year deferred tax adjustment	-	42,563	-	42,563
Other	(20,195)	(21,363)	(2,587)	(4,860)
Tax expense	1,390,478	940,769	1,390,478	940,769

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12. Earnings Per Stock Unit Attributable to Ordinary Stockholders

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.

	2023	2022
Net profit attributable to ordinary stockholders ($'000)	4,922,575	4,053,683
Weighted average number of ordinary stock units in issue ('000)	3,754,144	3,751,494
Basic earnings per stock unit ($)	1.31	1.08

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.

	2023	2022
Net profit attributable to ordinary stockholders ($'000)	4,922,575	4,053,683
Weighted average number of ordinary stock units in issue ('000)	3,754,144	3,751,494
Effect of dilutive potential ordinary stock units ('000)	5,802	7,244
	3,759,946	3,758,738
Diluted earnings per stock unit ($)	1.31	1.08

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13. Related Party Transactions and Balances

Parent Entities:
The group is controlled by the following entities:

Entity	Type	Country of Incorporation	Group's percentage interest 2023	Group's percentage interest 2022
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	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Convenient Brands Limited	717,048	610,988	704,606	599,995
JP Snacks Caribbean Limited	19,811	60,534	19,811	60,534
Trade Winds Citrus Limited	647	695	647	695
Worthy Park Estate Limited	-	1,644	-	1,644
Key management	1,819	1,374	1,819	1,374
	739,325	675,235	726,883	664,242

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13. Related Party Transactions and Balances (Continued)

(b) Purchases of goods and services

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Trade Winds Citrus Limited	6,162,321	5,375,075	6,162,321	5,375,075
Antillean Foods Inc	654,742	771,060	654,742	771,060
Worthy Park Estate Limited	5,596,655	3,425,162	5,596,655	3,425,162
	12,413,718	9,571,297	12,413,718	9,571,297

(c) Expenses

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Insurance Expense				
Indies Insurance Company Limited	-	-	281,779	251,895
Interest expense				
Seville Development Corporation Limited	370	378	370	378
Rebates				
Convenient Brands Limited	4,044	1,731	4,044	1,731

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Royalties				
Trade Winds Citrus Limited	24,900	26,267	24,900	26,267

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13. Related Party Transactions and Balances (Continued)

(d) Income

	The Group and Company	
	2023	2022
	$'000	$'000
Interest Income		
JP Snacks Caribbean Limited	5,684	5,705
Antillean Foods Inc.	676	1,045
	6,360	6,750
Management Fees		
Convenient Brands Limited	10,223	10,229
Rental Income		
Worthy Park Estates Limited	27,350	26,840

(e) Year-end balances

	The Group		The Company	
Receivables (Note 21)	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Receivables from affiliates -				
Convenient Brands Limited	60,245	76,306	60,245	76,306
Trade Winds Citrus Limited	14,275	20,276	14,275	20,276
JP Snacks Caribbean Limited	30,575	20,920	30,575	20,920
Worthy Park Estates Limited	8,226	5,527	8,226	5,527
Other affiliates	3,575	258	3,575	258
Included in receivables and prepayments	116,896	123,287	116,896	123,287
Long term receivable from associate				
Antillean Foods Inc (Note 18)	63,565	14,749	63,565	14,749
JP Snacks Caribbean Limited (Note 18)	208,630	197,974	208,630	197,974
	272,195	212,723	272,195	212,723

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13. Related Party Transactions and Balances (Continued)

(e) Year-end balances (continued)

	The Group and Company	
Payables (Note 23)	**2023**	**2022**
	$'000	**$'000**
Payables to affiliate -		
Convenient Brands Limited	103	4,307
Seville Development Corporation Limited	29,218	28,912
Trade Winds Citrus Limited	574,278	600,043
Worthy Park Estates Limited	348,954	350,298
Other Affiliates	30	-
	952,583	983,560
Payable to associate		
Antillean Foods Inc	49,414	47,327
Included in trade and other payables	1,001,997	1,030,887

(f) Key management compensation

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Salaries and other short-term employee benefits	648,199	511,372	648,199	511,372
Statutory contributions	58,410	32,811	58,410	32,811
Pension benefits	28,893	25,795	28,893	25,795
	735,502	569,978	735,502	569,978
Directors' emoluments –				
Management remuneration (included above)	487,783	341,583	487,783	341,583
Fees	16,200	18,420	16,200	17,060

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13. Related Party Transactions and Balances (Continued)

(g) Dividends declared

	The Group and Company	
	2023	**2022**
	$'000	**$'000**
Parent company	1,249,283	1,110,473
Key management	29,087	28,652
	1,278,370	1,139,125

Included in dividends declared are dividends accrued as noted below

Dividends accrued

	The Group and Company	
	2023	**2022**
	$'000	**$'000**
Parent company	638,522	555,237
Key management	14,642	14,049
	653,164	569,286

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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 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)	-
Adjustments	(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
Additions	12,207	505,361	295,921	2,000	123,617	1,432,582	2,371,688
Disposals	-	-	(85,798)	-	-	-	(85,798)
At 30 June 2023	4,087,409	8,463,120	1,275,289	67,234	576,173	1,571,389	16,040,614
Depreciation -							
At 1 July 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
Charge for the year	111,877	662,635	154,723	15,515	143,151	-	1,087,901
Relieved on disposal	-	-	(85,572)	-	-	-	(85,572)
At 30 June 2023	962,569	6,200,167	865,077	27,316	425,100	-	8,480,229
Net Book Value -							
30 June 2023	3,124,840	2,262,953	410,212	39,918	151,073	1,571,389	7,560,385
30 June 2022	3,224,510	2,420,227	269,240	53,433	170,607	138,807	6,276,824

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

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15. Intangible Assets

	The Group and Company Computer Software $'000
Cost -	
At 1 July 2021	190,181
At 30 June 2022 and 30 June 2023	190,181
Amortisation -	
At 1 July 2021	171,934
Charge for the year	11,336
At 1 July 2022	183,270
Charge for the year	5,272
At 30 June 2023	188,542
Net Book Amount	
30 June 2023	1,639
30 June 2022	6,911

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16. Investment in Subsidiaries

	The Company	
	2023	2022
	$'000	$'000
Indies Insurance Company – 100% 50,000 Ordinary shares, fully paid	11,375	11,375

17. Investment in Associate

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
At beginning of year	570,561	580,181	586,169	586,169
Impairment adjustment	(105,369)	-	(169,389)	
Amounts recognised in other comprehensive income	3,691	18,504	-	-
Amounts recognised in profit and loss	(52,103)	(28,124)	-	-
Amounts recognised in the statement of financial position	416,780	570,561	416,780	586,169

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.

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17. Investment in Associate (Continued)

The summarised information for JP Snacks Caribbean Limited (consolidated) that was accounted for using the equity method as at 30 June 2023 is as follows:

Summarised statement of financial position

	2023 $'000	2022 $'000
Current		
Cash and cash equivalents	92,627	25,610
Other current assets (excluding cash)	471,870	440,910
Total current net assets	564,497	466,520
Other current liabilities (including trade payables)	270,111	216,572
Total current liabilities	270,111	216,572
Non-current		
Intangible assets	416,693	465,375
Total non-current assets	814,503	864,306
Total non-current liabilities	847,780	671,024
Net assets	261,109	443,230

Summarised income statement

	Group	Group
	2023 $'000	2022 $'000
Revenue	1,715,082	1,649,308
Depreciation	(67,779)	(74,475)
Amortisation	(59,594)	(60,246)
Interest expense	(25,755)	(20,295)
Loss before income tax	(194,424)	(93,746)
Loss after tax	(194,424)	(93,746)
Total comprehensive income for the year	(190,733)	(75,242)

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17. Investment in Associate (Continued)

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

	2023 $'000	2022 $'000
Summarised financial information		
Share Capital	577,580	577,580
Opening Accumulated deficit	(245,890)	(152,144)
Net Loss for the period	(194,424)	(93,746)
Other reserve at the end of the period	123,843	111,540
Total shareholder's equity	261,109	443,230
Interest in associate (%)	30%	30%
Interest in associate (J$)	78,332	132,969
Carrying value	416,780	570,561

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

	The Group	
	2023 $'000	2022 $'000
Share of net assets	78,332	132,969
Goodwill	338,448	437,592
Carrying value	416,780	570,561

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 2023. Management has determined that the investment in JP Snacks Caribbean Limited is impaired as the recoverable amount determined was below the carrying value. 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	
	2023	2022
Pre-tax discount rate	14%	13%
Terminal value growth rate	3%	3%
Gross profit margin	26%	33%

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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 $208,630,000 (2022 - $197,974,000) includes interest receivable of $20,052,000 (2022 – $13,969,000).

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 $8,372,000 (2022- $14,749,000) includes interest receivable of $75,000 (2022 - $146,000).

A promissory note of US$360,000 was issued to Antillean Foods Inc. on 26 June 2023. The note matures 28 December 2028 and interest accrues daily at an interest rate of 6% per annum payable monthly until December 23, 2023. Commencing January 31, 2024, monthly principal and interest payments of US$6,960 will be made until maturity. The carrying amount of $55,193,000 includes interest receivable of $24,000.

19. Investment Securities

	The Group and Company	
	2023 **$'000**	**2022** **$'000**
Equity investment securities measured at fair value through other comprehensive income:		
Quoted	127,660	173,414
	127,660	173,414
Debt investment securities measured at amortised cost:		
Corporate bonds	2,282,325	1,538,707
Total investment securities	2,409,985	1,712,121

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19. Investment Securities (Continued)

	The Group and Company	
	2023 $'000	2022 $'000
At beginning of year	1,712,121	1,043,667
Additions	1,170,720	640,367
Disposals	(464,350)	(72,715)
Foreign exchange gains/(losses)	52,813	(13,899)
IFRS 9 impairment adjustment	(15,565)	-
Fair value changes recognized in other reserves	(45,754)	114,701
	2,409,985	1,712,121
Current portion	(1,105,844)	(641,526)
Non-current portion	1,304,141	1,070,595

20. Inventories

	The Group and Company	
	2023 $'000	2022 $'000
Raw materials	1,931,855	1,574,474
Finished goods	295,230	141,610
Merchandise for resale	2,722,856	2,247,446
	4,949,941	3,963,530
Less: Provision for obsolete inventories	(64,362)	(31,666)
	4,885,579	3,931,864
Goods-in-transit	1,265,529	1,483,475
	6,151,108	5,415,339

Write-downs of inventories amounted to $32,696,000 (2022-$20,190,000). These were included were recognized as an expense during the year ended 30 June 2023 and included in cost of sales in the statement of comprehensive income.

Notes to the Financial Statements

30 June 2023

(Expressed in Jamaican dollars unless otherwise indicated)

21. Receivables and Prepayments

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Trade receivables	3,197,274	2,949,110	3,197,274	2,949,110
Less: Provision for doubtful debts	(29,696)	(34,026)	(29,696)	(34,026)
Trade receivables, net	3,167,578	2,915,084	3,167,578	2,915,084
Prepayments	92,642	52,187	92,627	52,172
Receivables from related parties (Note 13(f))	116,896	123,287	116,896	123,287
Principal receivables	180,224	142,312	180,224	142,312
Deposits on fixed assets	1,638,007	604,964	1,638,007	604,964
Other receivables	256,152	179,763	204,276	150,913
	5,451,499	4,017,597	5,399,608	3,988,732

22. Cash and Cash Equivalents

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Cash and bank balances	2,423,551	2,183,501	2,097,214	1,928,889
Short-term deposits	7,705,665	5,496,235	7,705,665	5,496,235
	10,129,216	7,679,736	9,802,879	7,425,124
Bank overdrafts (Note 24)	(97,422)	(97,372)	(97,422)	(97,372)
	10,031,794	7,582,364	9,705,457	7,327,752

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

	2023	2022
	%	%
Short-term deposits –		
J$	7.18	4.13
US$	4.97	4.88

Notes to the Financial Statements

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

23. Payables

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables	2,980,415	3,068,564	2,980,415	3,041,145
Statutory contributions payable	124,639	80,570	124,639	80,570
Dividend payable (Note 33)	863,486	750,825	863,486	750,825
Accrued expenses	800,410	577,126	800,410	472,534
Payables to related parties (Note 13 (f))	1,001,997	1,030,887	1,001,997	1,030,887
Other payables	559,542	490,444	514,417	595,036
	6,330,489	5,998,416	6,285,364	5,970,997

24. Borrowings

(a) Composition of borrowings

	The Group and Company	
	2023	**2022**
	$'000	**$'000**
Total borrowings -		
Bank loans -		
Long term	3,843,858	1,304,003
Bank overdraft	97,422	97,372
	3,941,280	1,401,375
Current -		
Bank overdraft (Note 22)	(97,422)	(97,372)
Current portion of long-term loans	(917,450)	(661,950)
Total current borrowings	(1,014,872)	(759,322)
Non-current borrowings	2,926,408	642,053

Notes to the Financial Statements

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

24. Borrowings (Continued)

(a) Composition of borrowings (continued)

	The Group and Company	
	2023	**2022**
	$'000	**$'000**
Non-current -		
(i) Bank of Nova Scotia (6% - 2023)	72,500	217,500
(ii) National Commercial Bank (6.18% -2023)	152,000	456,000
(iii) Bank of Nova Scotia (5.65%, 2024)	141,490	282,957
(iv) National Commercial Bank (5.5% -2027)	284,757	347,546
(v) Bank of Nova Scotia (6% - 2028)	3,193,111	-
	3,843,858	1,304,003
Less: Current portion	(917,450)	(661,950)
	2,926,408	642,053

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 $260,000 (2022 - $543,000).

(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 $1,643,000 (2022 - $2,054,000).

(v) This loan is unsecured and attracts interest at a fixed rate of 6% per annum. It is repayable over six years at $160,000,000 principal payments per quarter after an initial moratorium period of up to 15 months from the initial disbursement. The carrying value includes unamortised commitment fees of $6,889,000 (2022 - $8,000,000).

Notes to the Financial Statements

30 June 2023
(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	
	2023	2022
	%	%
Current -		
Bank overdraft	17.75 – 35.75	17.75 - 35.00
Bank borrowings	5.50 – 6.18	5.50 – 6.18
Non-current -		
Bank borrowings	5.50 – 6.18	5.50 – 6.18

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 2023 $'000	30 June 2022 $'000
Right-of-use assets		
Land and buildings (Note 14)	151,073	170,607
Lease liabilities		
Current	114,808	63,115
Non-current	40,045	104,913
	154,853	168,028

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 2023
(Expressed in Jamaican dollars unless otherwise indicated)

25. Leases (Continued)

(b) Lease liabilities

	The Group and Company
	$'000
1 July 2021	80,292
Additions	207,493
Lease payments	(131,913)
Interest expense	8,725
Foreign exchange translation	3,431
1 July 2022	168,028
Additions	128,874
Lease payments	(160,242)
Interest expense	14,685
Foreign exchange translation	3,508
30 June 2023	154,853

Income arising from the sub-lease of right-of-use assets to a related party amounted to $27,350,000 (2022 - $26,840,000) (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	
	2023	2022
	$'000	$'000
Depreciation charge on right-of-use assets		
Land and buildings (Note 14)	143,151	115,522
Interest expense	14,263	8,725

Notes to the Financial Statements

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

26. Share Capital

	2023 $'000	2022 $'000
Authorised –		
4,000,000,000 (2022 – 4,000,000,000) Ordinary stock units		
Issued and fully paid –		
3,756,250,000 (2022 – 3,756,250,000) Ordinary stock units at no par value	1,261,259	1,258,319

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 1,963,000 were retained by the Group as Treasury stock units.

27. Other Reserves

	The Group and Company	
	2023	2022
	$'000	$'000
Realised gains	24,998	24,998
Unrealised surplus on revaluation of land and buildings	72,740	72,740
LTIP payments, net of taxes	329,823	240,933
Fair value gains on financial instruments – fair value through other comprehensive income	130,705	176,459
	558,266	515,130

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 2023

(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	
	2023	**2022**
	$'000	**$'000**
At beginning of the year	15,985,222	13,432,757
Net profit attributable to:		
Company	4,840,219	4,015,795
Subsidiary	70,439	66,012
Associate net of impairment loss	11,917	(28,124)
	4,922,575	4,053,683
Dividends	(1,689,400)	(1,501,218)
At end of the year	19,218,397	15,985,222

Notes to the Financial Statements

30 June 2023
(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	
	2023	**2022**
	$'000	**$'000**
At the beginning of the year	33,885	99,966
Credited to profit or loss (Note 11)	28,806	(51,421)
Credited to equity	(20,709)	(14,660)
At end of the year	41,982	33,885

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 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	124,097	12,436	3,528	644	140,705
Debited/(Credited) to profit or loss	7,812	(10,503)	1,512	(1,589)	(2,768)
At 30 June 2023	131,909	1,933	5,040	(945)	137,937

Notes to the Financial Statements

30 June 2023
(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 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
Credited/(Debited) to profit or loss	2,871	-	(34,445)	-	(31,574)
Credited to equity	-	20,709	-	-	20,709
At 30 June 2023	16,362	77,278	1,718	597	95,955

Notes to the Financial Statements

30 June 2023

(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:

	The Group and Company	
	2023	**2022**
	$'000	**$'000**
Deferred tax assets to be recovered	77,278	56,569
Deferred tax liabilities to be settled	131,909	124,097

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

	The Group and Company	
	2023 $'000	**2022 $'000**
Deferred tax liabilities	(41,982)	(33,885)
At end of the year	(41,982)	(33,885)

Notes to the Financial Statements

30 June 2023

(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	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Net profit	4,922,575	4,053,683	4,840,219	4,015,795
Items not affecting cash:				
Share of results of associates (Note 17)	52,103	28,124	-	-
Impairment loss in associates (Note 17)	105,369	-	169,389	-
Depreciation (Note 14)	1,087,901	971,603	1,087,901	971,603
Amortisation (Note 15)	5,272	11,336	5,272	11,336
Amortisation of loan commitment fees	1,805	694	1,805	694
Non-cash employee benefits expense – LTIP payments (Note 8)	69,251	31,406	69,251	31,406
Gain on sale of property, plant and equipment	(26,586)	(5,466)	(26,586)	(5,466)
Interest income (Note 9)	(443,957)	(300,665)	(443,957)	(300,665)
Adjustment to property, plant and equipment (Note 14)	-	19,329	-	19,329
Dividend income (Note 9)	(530)	(593)	(530)	(593)
Interest expense (Note 10)	74,122	108,779	74,122	108,779
Taxation expense (Note 11)	1,390,478	940,769	1,390,478	940,769
Exchange (loss)/gain on foreign currency balances	(58,552)	50,038	(65,255)	49,468
	7,179,251	5,909,037	7,102,109	5,842,455
Changes in operating assets and liabilities:				
Inventories	(735,769)	(1,824,221)	(735,769)	(1,824,221)
Receivables and prepayments	(1,433,902)	(1,382,548)	(1,410,876)	(1,384,319)
Trade and other payables	332,073	1,408,086	314,367	1,402,450
Cash generated from operations	5,341,653	4,110,354	5,269,831	4,036,365
Taxation paid	(1,021,087)	(1,001,905)	(1,021,087)	(1,000,402)
Cash provided by operating activities	4,320,566	3,108,449	4,248,744	3,035,963

Notes to the Financial Statements

30 June 2023

(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	
	2023 **$'000**	**2022** **$'000**
At 30 June 2022	1,304,003	1,973,259
Loans received	3,200,000	-
Commitment fees paid	-	(8,000)
Loans repaid	(661,950)	(661,950)
Amortisation of commitment fees	1,805	694
At 30 June 2023	3,843,858	1,304,003

The principal non-cash transactions include the recognition of right-of-use assets (Note 14).

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	
	2023 **$'000**	**2022** **$'000**
Pension contributions (Note 8)	195,710	169,672
	195,710	169,672

Notes to the Financial Statements

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

33. Dividends

	2023	2022
	$'000	$'000
20 cents per stock unit – 5 August 2022 (declared on 28 June 2022)	-	156
22 cents per stock unit -14 July 2022 (declared on 28 June 2022)	825,914	750,237
23 cents per stock unit – 4 August 2023 (declared 28 June 2023)	863,486	750,825
	1,689,400	1,501,218

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 2023
(Expressed in Jamaican dollars unless otherwise indicated)

35. Long Term Incentive Plan (Continued)

Options granted under the plan during the financial year 2023 are as follows:

	Average exercise price per option $	Number of options
As at 1 July 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	(2,927,400)
As at 30 June 2022	15.23	41,015,250
Granted during the year	17.45	22,956,400
Exercised during the year	11.94	(161,925)
Forfeited during the year	15.68	(676,000)
As at 30 June 2023	15.68	63,133,725

The number of options vested and exercisable at the year-end is 15,613,250 (2022 – 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 2023	Share options 30 June 2022
1 Oct 2019	1 April 2024	7.87	292,000	390,800
1 Oct 2019	1 April 2024	16.00	5,408,325	5,521,450
1 Oct 2019	1 April 2025	23.00	9,651,000	9,701,000
1 Apr 2022	1 April 2027	14.06	25,114,000	25,402,000
1 Mar 2023	1 Jan 2029	17.45	22,668,400	-
Total			63,133,725	41,015,250

Notes to the Financial Statements

30 June 2023
(Expressed in Jamaican dollars unless otherwise indicated)

35. Long Term Incentive Plan (Continued)

The fair value at the grant date is independently determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2023 included:

(a) Options vest based on defined service period.
(b) Vested options are exercisable for a period of three years after vesting.
(c) Exercise price: $17.45
(d) Grant date: 1 March 2023
(e) Expiry date: 1 January 2029
(f) Share price: $17.46
(g) Expected price volatility: 30.81% (based on historic volatility)
(h) Expected dividend yield: 2.52%
(i) Risk-free interest rate: 3.98%

36. Subsequent Event

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

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, November 29th 2023 at 10:00 A.M. and at any adjournment thereof.

SIGNED this __________ day of ______________________ 202_____.

SIGNATURE of Shareholder __________________________________

RESOLUTIONS	FOR	AGAINST
1		
2		
3a		
3b		
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

NOTES


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