

Jetcon Corporation Limited

INTERIM RESULTS

Third Quarter Ended September 30, 2023



Unaudited Financial Statements

JETCON CORPORATION LIMITED
FINANCIAL REPORTS
Third Quarter Ended September 30, 2023

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Report of the Directors to Shareholders of Jetcon Corporation Limited For the third quarter ended September 30, 2023

Jetcon Corporation ended the Third Quarter of 2023 with a loss of \$7.1million, compared to a \$12million profit in the same period last year. Sales continue to be roughly half those of last year.

Inventories total \$419million, while receivables total \$93million. We continue to grow our inventory of solar equipment as we diversify our operations to make us more resilient to economic shocks.

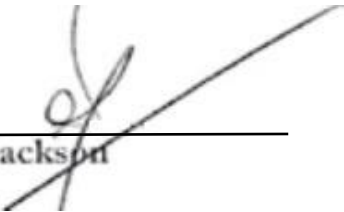
While used vehicle sales continue to stagnate, we are nevertheless beginning the exploration of new vehicle sales, a market which has seen increased sales year-on-year.

The Board would like to take this opportunity to thank shareholders, management, staff and customers for their continued support.



John Jackson

Chairman



Andrew Jackson

Managing Director

JETCON CORPORATION LIMITED

Statement of Comprehensive Income

Third Quarter Ended September 30, 2023

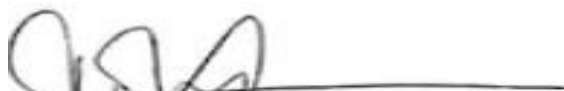
| | <u>3rd Quarter</u> | | <u>9 months to September</u> | | <u>Audited 12</u> |
|-----------------------------------|--------------------|-------------------|------------------------------|--------------------|--------------------|
| | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> | <u>Months</u> |
| | | | | | <u>2022</u> |
| Revenues | 144,543,476 | 300,945,111 | 508,001,797 | 807,356,924 | 1,037,200,634 |
| Cost of Sales | 127,426,699 | 259,712,398 | 450,391,411 | 694,019,801 | 891,951,183 |
| Gross Profit | 17,116,778 | 41,232,713 | 57,610,386 | 113,337,123 | 145,249,451 |
| <u>Expenses</u> | | | | | |
| Sales and Marketing | 5,549,100 | 8,205,921 | 15,907,294 | 22,907,093 | 25,688,607 |
| Administrative and Other | 15,226,107 | 17,574,866 | 44,346,533 | 52,038,257 | 73,320,834 |
| Other Operating Expenses | 3,513,459 | 3,271,010 | 9,701,910 | 11,857,322 | 12,204,443 |
| Finance | (54,900) | 536,354 | 28,384 | 587,778 | 5,276,108 |
| | 24,233,766 | 29,588,151 | 69,984,121 | 87,390,450 | 116,489,992 |
| Profit Before Taxation | (7,116,988) | 11,644,562 | (12,373,735) | 25,946,673 | 28,759,459 |
| Taxation | - | - | - | - | (4,003,475) |
| Net Profit after Tax | (7,116,988) | 11,644,562 | (12,373,735) | 25,946,673 | 24,755,984 |
| Other Comprehensive Income: | | | | | |
| Fair Value Investment Gains | | | | | 9,643 |
| Total Comprehensive Income | (7,116,988) | 11,644,562 | (12,373,735) | 25,946,673 | 24,765,627 |
| Earnings Per Share (cents) | (1.22) | 2.00 | (2.12) | 4.45 | 4.24 |

JETCON CORPORATION LIMITED

Statement of Financial Position


As At September 30, 2023

| | Unaudited | | Audited |
|-----------------------------------|--------------------|--------------------|----------------------|
| | <u>Sep-23</u> | <u>2022</u> | <u>December 2022</u> |
| ASSETS | | | |
| NON-CURRENT ASSETS: | | | |
| Property, Plant & Equipment | <u>210,797,894</u> | <u>174,923,577</u> | <u>161,371,226</u> |
| CURRENT ASSETS: | | | |
| Inventories | 418,944,726 | 470,286,178 | 392,706,022 |
| Receivables | 92,972,890 | 57,924,981 | 60,788,230 |
| Due From Parent | 20,345,639 | 20,345,639 | 20,345,639 |
| Investment | 86,472 | 86,472 | 86,472 |
| Cash and Equivalents | <u>4,240,122</u> | <u>8,951,056</u> | <u>6,535,346</u> |
| Total Current Assets | 536,589,849 | 557,594,326 | 480,461,709 |
| CURRENT LIABILITIES: | | | |
| Payables | 101,670,076 | 84,077,114 | 51,507,789.00 |
| Right of Use Liability | 22,365,395 | 22,365,395 | 9,475,144.00 |
| Short Term Borrowings | <u>56,172,547</u> | <u>44,117,509</u> | <u>1,296,542.00</u> |
| Total Current Liabilities | 180,208,018 | 150,560,018 | 62,279,475 |
| NET CURRENT ASSETS | 356,381,831 | 407,034,308 | 418,182,234 |
| Rights of Use long Term Liability | - | - | - |
| | <u>567,179,725</u> | <u>581,957,885</u> | <u>579,553,460</u> |
| SHAREHOLDERS' EQUITY | <u>567,179,725</u> | <u>581,957,885</u> | <u>579,553,460</u> |



John Jackson

Chairman



Andrew Jackson

Managing Director

JETCON CORPORATION LIMITED

Statement of Cash Flows

Third Quarter Ended September 30, 2023


| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| Cash Flows from operating activities | | |
| Net Income | (12,373,735) | 25,946,673 |
| <u>Non-Cash Items</u> | | |
| Depreciation | 4,134,000 | 10,538,321 |
| Other adjustments | (9,023,108) | - |
| Net Cash provided by Operations | (17,262,843) | 36,484,994 |
| Changes in working capital | 6,884,130 | (112,133,503) |
| Cash Flows from Financing activities | | |
| Loans repaid net | (2,060,419) | (7,007,677) |
| Net cash used provided by investing activities | (2,060,419) | (7,007,677) |
| Investment activity | - | (5,832,194) |
| Cash used in financing operations | (12,439,132) | (88,488,380) |
| Cash Balance at Beginning of Period | 6,535,346 | 53,321,927 |
| Cash Balance at End of Period | (5,903,786) | (35,166,453) |
| Represented by cash and equivalent | | |
| Bank Overdraft | (10,143,908) | (44,117,509) |
| Cash and Bank balance | 4,240,122 | 8,951,056 |
| | (5,903,786) | (35,166,453) |

JETCON CORPORATION LIMITED

Statement of Shareholders' Equity

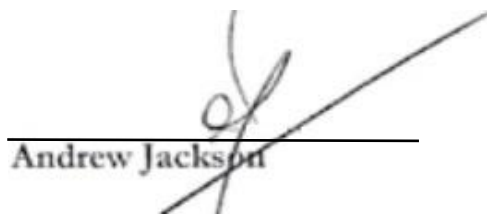
Third Quarter Ended September 30, 2023

| | No. of Shares | Share Capital | Capital Reserve | Retained Earnings | Total |
|--|--------------------|-------------------|--------------------|----------------------|---------------------|
| Balance at December 2021 | 194,500,000 | 88,817,218 | 16,787,339 | 450,406,656 | 556,011,213 |
| Total Comprehensive Income for Period | | | | 24,755,984 | 24,755,984 |
| Prior year adjustments | | | | (1,223,380) | (1,223,380) |
| Increase in fair value of investments | | | 9,643 | | 9,643 |
| Balance at December 2022 | 194,500,000 | 88,817,218 | 16,796,982 | 473,939,260 | 579,553,460 |
| Balance at December 2022 | 194,500,000 | 88,817,218 | 16,796,982 | 473,939,260 | 579,553,460 |
| Total Comprehensive Income for Period | | | | (12,373,735) | (12,373,735) |
| Prior year adjustments | | | | | - |
| Increase in fair value of investments | | | | | - |
| Balance at September 2023 | 194,500,000 | 88,817,218 | 16,796,982 | 461,565,525 | 567,179,725 |



John Jackson

Chairman



Andrew Jackson

Managing Director

Jetcon Corporation Limited

Notes to the Financial Statements

Third Quarter Ended September 30, 2023

1. IDENTIFICATION

Jetcon Corporation Limited is incorporated and domiciled in Jamaica. Its registered office is situated at 2 Sandringham Avenue, Kingston 10, Jamaica, WI. The Company is listed on the Junior Market of the Jamaica Stock Exchange. The principal activity of the company is the importation of motor vehicles for resale in Jamaica.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

The interim financial report for the reporting period ended June 30, 2023 has been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting'. Changes in significant accounting policies relevant to the company's operations: IFRS 9, Financial instruments replaces the provisions of IAS 39 that relates to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, and impairment of financial assets. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' [ECL], which means that a loss event will no longer need to occur before an impairment allowance is recognised. The impact of the application of IFRS 9 is not considered material to the company's disclosure. The immateriality disclosure exemption under IAS 1 'Presentation of Financial Statements', has been applied. The company 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 the ECL. As a practical expedient, a provision matrix is utilized in determining the lifetime ECLs for trade receivables. The adoption of IFRS 9 from January 1, 2018 resulted in no adjustments to the comparative figures presented in the financial statements. Further, as stated above, the immateriality exemption under IAS 1 'Presentation of Financial

(b) Property, plant and equipment

Items of property, plant and equipment are stated at cost and valuation less accumulated depreciation. Depreciation is recognized on profit or loss on the straight-line basis, over the estimated useful lives of property, plant, motor vehicles and equipment except for land and investment properties.

(c) Borrowings

Borrowings are recognized initially as the proceeds received net of transaction costs incurred and are subsequently stated at amortized cost using the effective interest method with any differences between proceeds net of transactions cost and the redemption value recognized in income along with regular interest charges over the period of the borrowings.

(d) Inventories

Inventories are valued at the lower of cost or net realisable value.

3. EARNINGS PER SHARE

Earnings per share is based on 583,500,000 shares issued.