



Trade Winds Citrus Ltd.

INTERIM REPORT (UNAUDITED)

1st Quarter ended 30 September 2023



PERFORMANCE HIGHLIGHTS

Quarter 1 - Fiscal 2024



TOTAL REVENUES
+15% over Q1-23



NET PROFIT AFTER TAX
+20% over Q1-23

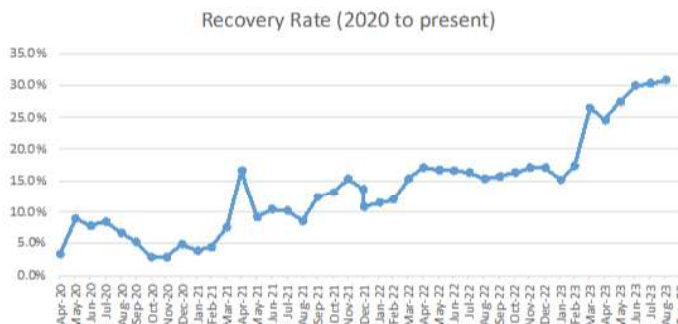


EARNINGS PER SHARE
+17% over Q1-23



SHAREHOLDERS' EQUITY
+19% over Q1-23

3-MONTH AVERAGE PETE BOTTLE RECOVERY RATE = 30.4%



"1 in 3 PETE bottles is now being collected by the industry - target is 1 in every 2 ..."

FINANCIAL COMMENTARY | from the Directors

The Directors are pleased to present the unaudited financial results for the first quarter ended September 30, 2023, which have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

We opened Fiscal 2024 with record-breaking performance. In our first quarter, we generated the highest amount of revenue in our company's history, which continued the trend established in Quarter 3 of the previous year, where each successive quarter's revenue was the company's highest. Revenues for the quarter of \$13.7 billion represent an increase of 14.9% above the \$11.9 billion achieved in the corresponding quarter of the previous year. We continue to see strong demand for our products in all channels. We had some challenges related to machine downtime, but nevertheless we were able to produce more than in any preceding quarter. The energy and power behind this outstanding performance is our exceptional people. We will continue to invest in the development and well being of our people. This quarter saw the full opening of our employee gymnasium.

Gross Profits of \$4.8b were 11.1% greater than the \$4.3b of the prior year's quarter. Gross Margins at 35% were lower than the 36.2% achieved for the same quarter last year due in part to some higher than expected repairs and maintenance charges.

Selling, Distribution & Administrative expenses (SD&A) for the quarter totaled \$2.9 billion or 14% more than the \$2.6 billion for the corresponding quarter of the prior year. Our SD&A expense to sales ratio was 21.4% for the quarter, compared to 21.6% in the prior year.

Profit before Taxation for the quarter was \$2.1 billion or 19.9% more than the \$1.7 billion of the comparative quarter of the prior year. This performance was also influenced by the increase in Finance Income of \$82.8 million.

After provision for taxes, Wisynco recorded Net Profits Attributable to Stockholders of \$1.6 billion, or 41c per stock unit for the quarter, which was 19.8% greater than the \$1.3 billion or 35c per stock unit earned for the prior year.

Our Balance Sheet remains strong with a current ratio of 2.8, shareholder's equity of \$22.7 billion, and a very strong cash position of \$9.1 billion.

Our expansion activities are on track and we expect to have phase one commence production in November 2023. This should augur very well for some significant improvements in product ranges and availability.

We express our sincere gratitude to all our team members for their dedication and execution, and are thankful to all our partners, customers, consumers and stockholders for their continued support.

Environment

Recycling Partners of Jamaica

During the first quarter of the financial year, Wisynco remained steadfast in its commitment to Recycling Partners of Jamaica (RPJ), 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. Collection rates were trending over 30% of the total PETE bottle, industry-reported sales (domestic production and imported), during the quarter ended September 30, 2023.

International Coastal Cleanup - September 16, 2023

Wisynco joined forces with Coca Cola in commemoration of International Coastal Cleanup Day and spearheaded two beach cleaning initiatives. This activation emerged as an initiative aligned with the global vision for a "World Without Waste". The cleanup took place at New Causeway Fishing Village and The Meeting Place beach in Montego Bay. With the help of over 70 volunteers, a total of 1,645 lbs. of waste was collected.

Education



Members of Wisynco's Executive Management Committee strike a pose with the graduates of the 2023 Wisynco TRAC programme.

Wisynco TRAC Programme

The 'Wisynco TRAC (Training to be Relevant, Adaptable & Confident) Programme', which enables Wisynco employees to upgrade their proficiency in various subject areas such as English Language, Mathematics and EDPM (Electronic Document Preparation and Management) saw the successful matriculation of ten (10) employees who sat the 2023 sitting of the Caribbean Secondary Education Certificate (CSEC) Mathematics and English Language examinations. The company recorded one Grade 1, two Grade 2s and three Grade 3s for the English Language examination and three (3) Grade 2s and two (2) Grade 3s for Mathematics. All 10 participants were awarded for their hard work and accomplishments during a Wisynco TRAC graduation ceremony held in September 2023.

'Hydrate to Educate' with Wata (Back to School Grant)

The 'Wata Back to School Grant' was re-branded 'Hydrate to Educate' and awarded \$8 million in grants to our employees' children and \$12 million for children island wide. The company received 469 applicants for the primary and secondary levels, and 48 applicants for tertiary level, and is pleased to report that all employee applicants received a grant and disbursements were made in September 2023. The external awardees will be selected and granted in the next quarter.



PEP Scholarship and PEP Continuing Scholarship Programme

Wisynco continues to provide scholarships for children of employees who have successfully completed the Primary Exit Profile (PEP) examination and those maintaining good academic performance at the secondary level.

We received 27 new PEP Scholarship applications, all of whom received scholarships. 17 individuals applied for and were awarded scholarships under the PEP Continuing Scholarship. These scholarships were disbursed in August.

Economic/Social Improvement



Our Chairman, Mr. William Mahfood, addresses attendees at the official launch of the 'Growing Together' Initiative.

"Growing Together" Initiative

Wisynco in partnership with Coca-Cola officially launched its 'Growing Together with Small Business' training programme.

The four-module online course, which was rolled out in August 2023 is geared towards helping micro, small, and medium enterprises (MSMEs) achieve better business results, thus increasing their revenues and profits.

One thousand business owners across Jamaica are set to benefit from resources in business management and ownership to aid in their overall growth and development.



L-R Diane M Edwards, Director of the Professional Services Unit at the Mona School of Business and Management; Andrew Mahfood, CEO of Wisynco Group Ltd; Senator the Honourable Aubyn Hill, Minister of Industry, Investment and Commerce; Chantellee McDonald, Brand Manager - Coca Cola; William Mahfood, Chairman of Wisynco Group Ltd; Andrea Bolton-Fyffe, Incubator Manager, Technology Innovation Unit at University of Technology; Paulton Gordon, Director of Community Development at UTECH; Donovan Wignal, President of the MSME Alliance at the launch of the Coca-Cola Growing Together MSME business course at the company's headquarters.

William Mahfood
Chairman

Andrew Mahfood
Chief Executive Officer

INTERIM FINANCIAL STATEMENTS

Wisynco Group Limited

Group Statement of Comprehensive Income

Three months ended 30 September 2023

	Unaudited Quarter ended 30 September 2023 \$'000	Unaudited Quarter ended 30 September 2022 \$'000	Audited Year ended June 2023 \$'000
Revenue	13,732,204	11,947,427	48,705,454
Cost of sales	(8,926,088)	(7,622,029)	(31,850,418)
Gross Profit	4,806,116	4,325,398	16,855,036
Other operating income	64,036	57,533	252,781
Selling and distribution expenses	(2,427,422)	(2,124,354)	(9,160,849)
Administration expenses	(513,441)	(454,834)	(1,789,583)
Operating Profit	1,929,289	1,803,742	6,157,385
Finance income	167,990	85,216	444,487
Finance costs	(10,883)	(149,509)	(131,347)
Impairment loss on investment in associated company	-	-	(105,369)
Share of results of associate	(14,787)	(11,358)	(52,103)
Profit before Taxation	2,071,609	1,728,091	6,313,053
Taxation	(517,239)	(430,925)	(1,390,478)
Net Profit	1,554,370	1,297,166	4,922,575
Other Comprehensive Income			
Items that may be subsequently reclassified to P&L:			
Exchange differences on translation of foreign subsidiary	(4,233)	(1,537)	6,606
Share of other comprehensive income of associate	(245)	(7,333)	3,691
Items that may not be subsequently reclassified to P&L:			
Unrealised gains/(losses) on investment securities	(7,681)	(20,033)	(45,754)
Total Comprehensive Income	1,542,211	1,268,263	4,887,118
Net Profit attributable to:			
Stockholders of Wisynco Group Limited	1,554,370	1,297,166	4,922,575
Total Comprehensive Income attributable to:			
Stockholders of Wisynco Group Limited	1,542,211	1,268,263	4,887,118
Basic and diluted earnings per stock unit attributable to stockholders of the group			
3	\$0.41	\$0.35	\$1.31

Wisynco Group Limited
Group Statement of Financial Position
30 September 2023

		Unaudited September 30 2023 \$'000	Unaudited September 30 2022 \$'000	Audited June 30 2023 \$'000
	Note			
Non-Current Assets				
Property, plant and equipment		9,089,798	6,498,469	7,560,385
Intangible asset		1,228	4,077	1,639
Investment in associate	4	401,748	551,870	416,780
Loans receivable		281,233	209,985	272,195
Investment securities		2,231,201	1,679,761	1,304,141
		12,005,208	8,944,162	9,555,140
Current Assets				
Inventories		5,380,823	5,240,400	6,151,108
Receivables and prepayments		5,316,213	4,331,008	5,451,499
Investment securities		1,120,724	497,172	1,105,844
Cash and short-term deposits	5	9,072,813	7,177,852	10,129,216
		20,890,573	17,246,432	22,837,667
Current Liabilities				
Trade and other payables		4,918,881	4,539,562	6,330,489
Short-term borrowings		1,204,303	790,901	1,014,872
Lease Liability		85,831	129,683	114,808
Taxation payable		1,141,082	654,795	798,186
		7,350,097	6,114,941	8,258,355
Net Current Assets		13,540,476	11,131,491	14,579,312
		25,545,684	20,075,653	24,134,452
Shareholders' Equity				
Share capital	6	1,262,012	1,258,673	1,261,259
Other reserves		581,064	511,469	558,266
Translation reserve		83,617	68,928	88,095
Retained earnings		20,772,767	17,282,388	19,218,397
		22,699,460	19,121,458	21,126,017
Non-current Liabilities				
Deferred tax liabilities		41,982	33,886	41,982
Borrowings		2,767,104	790,446	2,926,408
Lease Liabilities		37,138	129,863	40,045
		2,846,224	954,195	3,008,435
		25,545,684	20,075,653	24,134,452



William Mahfood
Chairman



Andrew Mahfood
Chief Executive Officer

Wisynco Group Limited
Group Statement of Changes in Equity
Three months ended 30 September 2023

	Number of Shares 000	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Translation Reserve \$'000	Total Equity \$'000
Balance as at 1 July 2022	3,754,125	1,258,319	515,130	15,985,222	77,798	17,836,469
Net profit	-	-	-	1,297,166	-	1,297,166
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(20,033)	-	-	(20,033)
Share of other comprehensive income of associate	-	-	-	-	(7,333)	(7,333)
Exchange differences on translating foreign subsidiary	-	-	-	-	(1,537)	(1,537)
Total comprehensive income	-	-	(20,033)	1,297,166	(8,870)	1,268,263
Transactions with Owners:						
Shares issued through Long Term Incentive Plan (LTIP)	18	354	(184)	-	-	170
LTIP expenses, net of taxes	-	-	16,556	-	-	16,556
	18	354	(3,661)	1,297,166	(8,870)	1,284,989
Balance at 30 September 2022	3,754,143	1,258,673	511,469	17,282,388	68,928	19,121,458
Balance as at 1 July 2023	3,754,287	1,261,259	558,266	19,218,397	88,095	21,126,017
Net profit	-	-	-	1,554,370	-	1,554,370
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(7,681)	-	-	(7,681)
Share of other comprehensive income of associate	-	-	-	-	(245)	(245)
Exchange differences on translating foreign subsidiary	-	-	-	-	(4,233)	(4,233)
Total comprehensive income	-	-	(7,681)	1,554,370	(4,478)	1,542,211
Transactions with Owners:						
Shares issued through LTIP	70	753	(238)	-	-	515
LTIP expenses, net of taxes	-	-	30,717	-	-	30,717
	70	753	30,479	-	-	31,232
Balance as at 30 September 2023	3,754,357	1,262,012	581,064	20,772,767	83,617	22,699,460

Wisynco Group Limited
Group Statement of Cash Flows
Three months ended 30 September 2023

	Quarter ended 30 September 2023 \$'000	Quarter ended 30 September 2022 \$'000
Net profit from operations:	1,554,370	1,297,166
Items not affecting cash:		
Share of results of associate	14,787	11,358
Depreciation	254,000	248,832
Gain on sale of property, plant and equipment	-	(9,138)
Adjustment to property, plant & equipment	-	2,215
Amortisation of intangibles	411	2,834
Amortisation of loan commitment fees	507	893
LTIP expenses	30,717	16,556
Interest income	(152,641)	(85,100)
Dividend income	-	(116)
Interest expense	9,745	23,280
Taxation expense	517,239	430,925
Exchange difference on foreign currency balances	(24,367)	(63,220)
	2,204,768	1,876,485
Changes in operating assets and liabilities:		
Inventories	770,285	174,939
Receivables and prepayments	135,286	(313,411)
Trade and other payables	(548,122)	(708,029)
Cash generated from operations	2,562,217	1,029,984
Taxation paid	(174,343)	(229,768)
Cash provided by operating activities	2,387,874	800,216
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(1,778,906)	(349,075)
Purchase of investments securities	(933,877)	(604,875)
Net placements of deposits over 3 months	-	(899,535)
Proceeds on disposal of property, plant and equipment	-	9,138
Proceeds from sale of investments securities	-	149,721
Long term receivable	(9,038)	2,738
Dividend received	-	116
Interest received	148,643	83,598
Cash used in investing activities	(2,573,178)	(1,608,174)
Cash Flows from Financing Activities		
Interest paid	(4,751)	(23,623)
Proceeds from long term loan	-	313,707
Proceeds from shares issued under LTIP	515	170
Long-term loans repaid	(71,687)	(165,488)
Lease liabilities repaid	(37,880)	(35,481)
Dividend paid	(863,486)	(750,825)
Cash used in financing activities	(977,289)	(661,540)
Effects of changes in foreign exchange rates	4,883	35,433
Decrease in cash and cash equivalents	(1,157,710)	(1,434,065)
Cash and cash equivalents at beginning of period	10,031,794	7,582,364
Cash and Cash Equivalents at end of period	8,874,084	6,148,299

Wisynco Group Limited
Notes to the Interim Financial Statements
30 September 2023

1. Basis of preparation

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

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

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

2. Segment reporting

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

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

3. Earnings per stock unit

Earnings per stock unit is calculated on net profit and is based on the 3,754,208,000 (2022 – 3,752,333,000) weighted average number of ordinary stock units in issue.

	Quarter ended September 30 2023	Quarter ended September 30 2022
Net profit attributable to ordinary stockholders (\$'000)	1,554,370	1,297,166
Basic & diluted earnings per stock unit	\$0.41	\$0.35

Wisynco Group Limited
Notes to the Interim Financial Statements
30 September 2023

4. Investment in Associate

	2023
	\$'000
At July 1st 2023	416,780
Amounts recognized in other comprehensive income	(245)
Amounts recognized in profit & loss	(14,787)
Amounts recognized in the Statement of Financial Position	<u>401,748</u>

The Company owns 30% of the share capital in JP Snacks, which is the manufacturer of St. Mary's Snacks. JP Snacks is a private company and there is no quoted market price available for its shares. There are no contingent liabilities relating to the Company's interest in JP Snacks.

5. Cash and Short Term Deposits

	September 30	September 30
	2023	2022
	\$'000	\$'000
Cash and bank balances	3,449,559	2,221,632
Short term deposits	5,623,254	4,956,220
	<u>9,072,813</u>	<u>7,177,852</u>
Investments over 90 days	-	(899,535)
Bank overdraft	(198,729)	(130,018)
	<u>8,874,084</u>	<u>6,148,299</u>

6. Share Capital

An additional 5,000,000 ordinary stock units were listed on The Jamaica Stock Exchange on August 31, 2023, increasing the company's total issued ordinary stock units to 3,761,250,000. This brings the total stock units issued under the company's LTIP to 11,250,000 units. Of the 11,250,000 stock units, 6,892,925 (2022 - 2,106,525) were retained by the Group as Treasury stock units and 4,357,075 (2022 - 4,143,475) units were issued to employees who exercised stock options under the Company's LTIP.

7. Subsequent Events

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

SHAREHOLDING REPORT as at SEPTEMBER 30, 2023

Top 10 Shareholders

Name of Shareholder	Units	Percentage ownership
Wisynco Group Caribbean Limited	2,776,183,736	73.8101%
ATL Group Pension Fund Trustees Nom Ltd.	58,408,056	1.5529%
GraceKennedy Pension Fund Custodian Ltd.	32,922,285	0.8753%
SJIML A/C 3119	31,329,914	0.8330%
Sagikor Select Fund Ltd. ('Class C' Shares) Manufacturing & Distribution	30,964,303	0.82%
Guardian Life Limited	29,341,646	0.7801%
National Insurance Fund	28,571,979	0.7596%
Devon Reynolds	28,123,827	0.7477%
Sagikor Pooled Equity Fund	26,913,562	0.7155%
Francois Chalifour	24,355,295	0.6475%

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 73.8101% 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	0	0	0

WISYNCO GROUP LIMITED



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