

APPENDIX 2:

FINANCIAL STATEMENTS: 9 MONTHS ENDED 30 SEPTEMBER 2023

I, Damion Dodd, the Chief Financial Officer of Seprod Limited hereby certifies that the following unaudited financial statements reflect fairly the financial position of Seprod Limited for the period ended September 30, 2023.

I hereby give my consent for my report on the proceeding financial statements to be included in the Circular to be issued by the Directors of Seprod Limited.



Damion Dodd
Chief Financial Officer

Consolidated Statement of Comprehensive Income (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

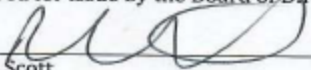
	3 months ended 30 September		9 months ended 30 September	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Revenue	27,747,873	23,635,590	82,202,935	51,441,096
Direct expenses	(20,707,603)	(17,239,320)	(61,344,485)	(38,017,999)
Gross Profit	7,040,270	6,396,270	20,858,450	13,423,097
Other operating income	1,270,395	19,995	1,724,228	538,685
Other operating expenses	(5,338,980)	(4,436,203)	(15,076,887)	(9,151,561)
Operating Profit	2,971,685	1,980,062	7,505,791	4,810,221
Finance costs	(947,162)	(481,156)	(2,391,805)	(1,301,011)
Share of results of associate & joint venture	40,928	(19,627)	177,332	35,636
Profit before Taxation	2,065,451	1,479,279	5,291,318	3,544,846
Taxation	(620,042)	(401,545)	(1,280,683)	(834,918)
Net Profit from continuing operations	1,445,409	1,077,734	4,010,635	2,709,928
Net loss from discontinued operations	(23,114)	(25,805)	(46,147)	(78,417)
Net Profit	1,422,295	1,051,929	3,964,488	2,631,511
Other comprehensive income, net of taxes	136,898	5,584	322,155	(326,194)
Total Comprehensive Income	1,559,193	1,057,513	4,286,643	2,305,317
Net Profit is attributable to:				
Stockholders of the Company	886,667	771,605	2,772,780	2,250,438
Non-controlling interests	535,628	280,324	1,191,708	381,073
Total	1,422,295	1,051,929	3,964,488	2,631,511
Total Comprehensive Income is attributable to:				
Stockholders of the Company	885,643	777,189	3,094,935	1,924,244
Non-controlling interests	673,550	280,324	1,191,708	381,073
Total	1,559,193	1,057,513	4,286,643	2,305,317
Earnings per Stock Unit attributable to Stockholders of the Company				
Continuing operations	\$1.24	\$1.09	\$3.84	\$3.18
Discontinued operations	(\$0.03)	(\$0.04)	(\$0.06)	(\$0.11)
Total	\$1.21	\$1.05	\$3.78	\$3.07

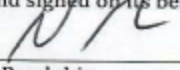
Consolidated Statement of Financial Position (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	30 September 2023 \$'000	30 September 2022 \$'000	31 December 2022 \$'000
Non-current Assets			
Property, plant and equipment	21,116,148	20,356,541	20,778,802
Right of use assets	1,814,155	1,740,554	1,856,714
Intangible assets	12,898,626	11,309,463	13,205,047
Investments	1,242,424	1,236,806	1,221,434
Investment in associate & joint venture	1,302,878	732,699	1,125,546
Long term receivables	1,146,077	1,542,343	1,180,972
Post-employment benefit asset	674,693	803,718	674,693
Biological assets	460,271	404,310	458,981
Deferred tax assets	1,635,543	1,412,751	1,796,354
	<u>42,290,815</u>	<u>39,539,185</u>	<u>42,298,543</u>
Current Assets			
Inventories	24,815,868	20,270,982	27,464,700
Biological assets	51,254	154,683	51,254
Receivables	20,104,916	15,672,706	19,648,145
Non-current assets held for sale	285,761	285,761	285,761
Taxation recoverable	169,272	207,728	278,639
Cash and bank balances	5,277,668	4,681,646	4,469,995
	<u>50,704,739</u>	<u>41,273,506</u>	<u>52,198,494</u>
Current Liabilities			
Payables	16,804,038	12,444,245	21,244,218
Current portion of long term liabilities	8,960,864	9,964,184	6,031,153
Current portion of lease obligations	294,946	214,550	377,761
Taxation payable	503,405	945,159	863,207
	<u>26,563,253</u>	<u>23,568,138</u>	<u>28,516,339</u>
Net Current Assets	<u>24,141,486</u>	<u>17,705,368</u>	<u>23,682,155</u>
	<u>66,432,301</u>	<u>57,244,553</u>	<u>65,980,698</u>
Equity Attributable to Stockholders of the Company			
Share capital	5,768,558	5,768,558	5,768,558
Preference shares	3,191,020	3,191,020	3,191,020
Capital reserves	7,376,545	6,373,970	7,054,390
Retained earnings	13,358,173	12,497,073	11,535,884
	<u>29,694,296</u>	<u>27,830,621</u>	<u>27,549,852</u>
Non-controlling Interest	<u>6,307,014</u>	<u>3,043,852</u>	<u>5,344,763</u>
	<u>36,001,310</u>	<u>30,874,473</u>	<u>32,894,615</u>
Non-current Liabilities			
Post-employment benefit obligations	505,416	134,600	1,655,416
Long term liabilities	25,639,906	21,770,035	26,981,402
Lease obligations	1,350,239	1,715,681	1,720,532
Deferred tax liabilities	2,935,430	2,749,764	2,728,733
	<u>30,430,991</u>	<u>26,370,080</u>	<u>33,086,083</u>
	<u>66,432,301</u>	<u>57,244,553</u>	<u>65,980,698</u>

Approved for issue by the Board of Directors on 14 November 2023 and signed on its behalf by:


Paul B. Scott Chairman


Richard R. Pandohie Director

Consolidated Statement of Changes in Equity (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	9 months ended 30 September 2023						
	Attributable to stockholders of the Company					Non-controlling Interest	Total
	Share Capital	Preference Shares	Capital Reserves	Retained Earnings	Sub-total Equity		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2023	5,768,558	3,191,020	7,054,390	11,535,884	27,549,852	5,344,763	32,894,615
Total comprehensive income:							
Profit for the period	-	-	-	2,772,780	2,772,780	1,191,708	3,964,488
Currency translation gains and losses	-	-	301,165	-	301,165	-	301,165
Fair value gains on investments	-	-	20,990	-	20,990	-	20,990
	-	-	322,155	2,772,780	3,094,935	1,191,708	4,286,643
Dividends declared by the company	-	-	-	(806,902)	(806,902)	-	(806,902)
Dividends declared by subsidiaries	-	-	-	-	-	(229,457)	(229,457)
Preference dividends	-	-	-	(143,589)	(143,589)	-	(143,589)
At 30 September 2023	5,768,558	3,191,020	7,376,545	13,358,173	29,694,296	6,307,014	36,001,310

	9 months ended 30 September 2022						
	Attributable to stockholders of the Company					Non-controlling Interest	Total
	Share Capital	Preference Shares	Capital Reserves	Retained Earnings	Sub-total Equity		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2022	5,768,558	-	6,700,164	10,980,182	23,448,904	-	23,448,904
Total comprehensive income:							
Profit for the period	-	-	-	2,250,438	2,250,438	381,073	2,631,511
Currency translation gains and losses	-	-	(369,306)	-	(369,306)	-	(369,306)
Fair value gains on investments	-	-	43,112	-	43,112	-	43,112
	-	-	(326,194)	2,250,438	1,924,244	381,073	2,305,317
Dividends declared by the company	-	-	-	(733,547)	(733,547)	-	(733,547)
Issue of preference shares by a subsidiary	-	3,191,020	-	-	3,191,020	-	3,191,020
On acquisition of subsidiary	-	-	-	-	-	2,662,779	2,662,779
At 30 September 2022	5,768,558	3,191,020	6,373,970	12,497,073	27,830,621	3,043,852	30,874,473

Consolidated Statement of Cash Flows (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	9 months ended 30 September	
	2023 \$'000	2022 \$'000
Cash Flows from Operating Activities		
Net profit	3,964,488	2,631,511
Items not affecting cash resources:		
Amortization of intangible assets	306,421	179,815
Depreciation	1,215,082	736,549
Interest income	(58,251)	(23,157)
Interest expense –		
Lease obligations	4,568	7,771
Loans and other	2,249,176	1,159,917
Results of associate & joint venture	(177,332)	(35,636)
Post-employment benefits	(1,150,000)	-
Taxation	1,280,683	834,918
	<u>7,634,835</u>	<u>5,491,688</u>
Changes in operating assets and liabilities:		
Inventories	2,648,832	(2,687,445)
Receivables	(467,602)	(689,429)
Biological assets	(1,290)	40,463
Payables and other	<u>(4,139,015)</u>	<u>(946,597)</u>
	5,675,760	1,208,680
Taxation paid	<u>(1,163,610)</u>	<u>(984,404)</u>
Cash provided by operating activities	<u>4,512,150</u>	<u>224,276</u>
Cash Flows from Investing Activities		
Net purchase of property, plant and equipment	(1,446,466)	(1,544,925)
On acquisition of subsidiary	-	5,659,640
Long term receivables	45,726	(34,961)
Interest received	58,251	23,157
Cash (used in)/provided by investing activities	<u>(1,342,489)</u>	<u>4,102,911</u>
Cash Flows from Financing Activities		
Long term loans	1,598,553	110,310
Lease obligations	(473,216)	(45,058)
Dividends paid	(1,227,811)	(366,773)
Interest paid	<u>(2,259,514)</u>	<u>(993,772)</u>
Cash used in financing activities	<u>(2,361,988)</u>	<u>(1,295,293)</u>
Change in cash and cash equivalents	807,673	3,031,894
Cash and cash equivalents at beginning of period	<u>4,469,995</u>	<u>1,649,752</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>5,277,668</u>	<u>4,681,646</u>