MD&A

The Quest for More

As Jamaica commemorates its diamond jubilee in 2022, Wisynco celebrates 57 years of existence. We have had solid leadership throughout almost six decades and have grown in tandem with the country to a very strong position. It is a testament to our relentless quest for more that, as a company, we have never set a limit on our growth. Neither do we measure ourselves by the competition. Instead, we are fuelled by remarkable passion to keep on winning through our entrepreneurial spirit, a deep forte in manufacturing and the enduring values enshrined in the Wisynco Way.

Ongoing volatility that prevailed at home and abroad, Wisynco Group Limited rose above the challenges to grow the business and deliver one of our best performances on record with increased revenue, higher gross profit, and soaring exports.

We share these outstanding results with immense pride and gratitude to our dedicated employees who worked tirelessly throughout the year to satisfy our customers. We also thank our executive management team and our board of directors who continued to navigate the way forward with expert strategic guidance while continuously setting the bar higher.

People First

In recognizing that business success is reliant on a people-first approach, our primary objective in 2022 was to focus on the engagement of our team, ensuring their well-being in mind, body and spirit while providing opportunities for educational development. Previously implemented measures such as remote working and COVID-19 mandatory safety protocols remained in place as we sought to ensure the health and safety of employees and customers while Jamaica gradually eased restrictions.

We partnered with senior leadership to inspire our teams and shore up their capability to meet the ongoing demands of the business in a sustainable way. We introduced several initiatives, including a J$8m fund specifically for employees to pay university, high and primary school-related fees for their children/dependents.. This is in tandem with Wisynco's education fund for the public, sponsored through our special Jamaica 60 commemorative label on WATA. Additionally, we invested in improved canteen facilities with enhanced meal options, a new gym, a health expo, and sporting activities including football.

With the return to normalcy, we will continue to invest in our Wisynco family through education and growth opportunities, competitive remuneration and benefits, and by continuing our culture of staging engaging events to celebrate our employees and revel in the joyful spirit that makes Wisynco a great place to work.

Agile and Responsive

Despite ongoing lockdowns, Wisynco burst from the blocks with a flying start in the first quarter thanks to a noticeable uptick in demand driven by a rebound in economic activities. The relaxation of travel and reopening of the tourism sector, coupled with the resumption of restaurant dining and face-to-face classes contributed to increased movement throughout the society and fuelled growth in consumption.

Wisynco experienced revenue growth of 14% in Q1 and 19% in Q2. With further opening of the economy, this phenomenal trajectory of demand carried through into Q4 where we grew 30% over the previous year. This growth was across the board in every category, especially in core brands including WATA, BIGGA, and Cran WATA. There was also great demand for the Tru-juice range of juices, chips, including Pringles, and all our ice creams.

Our top priority was restoring service levels to keep pace with market growth while exercising fiscal prudence. With this primary objective, we harnessed the collective strength of our team across the business to fulfill several strategic priorities:

Ramp up production:

To maintain a steady supply of WATA, one of our fastest-growing categories, we restarted an old production line at White Marl and almost doubled volume from the previous year.

Leverage new facility:

Opening a 26,000 square feet distribution facility in Trelawny gave us a wider footprint across the western end of the island which in return boosted the availability of our products and improved our customer service levels. This strategic move also increased demand and supply for our products, making an important contribution to revenue growth.

Improve in-market execution:

With the goal of getting our products into consumers' hands, we invested heavily in trucks and operational equipment and purchased 2,000 beverage coolers to improve in-market execution excellence. This extended our reach and worked in harmony with higher production levels.

Agile supply chain:

We navigated the global supply chain issues that plagued the consumer products industry and took strategic pricing action to offset rising costs while remaining competitive. We managed our procurement schedule, increased inventory, and doubled shipments where necessary. Congestion of containers later became an issue, leading to some key raw materials being delayed. The most difficult challenge was securing Co2 which required specialized containers. Ultimately, we found ways to mitigate against this and formed strategic partnerships to ensure continuity of supply.

Reduce energy costs:

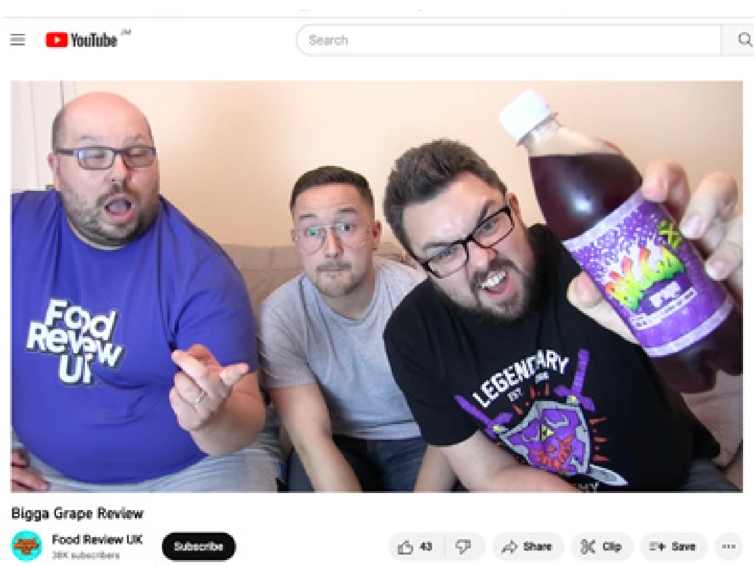
Our energy strategy and production efficiencies are key drivers of gross profit and helped to minimise the likelihood of consumers having to face significant price increases. With two-megawatt (MW) liquefied natural gas (LNG) power-generating plants and high operating efficiency, we were able to drive our profit margin.

Invest in Innovation:

In responding to consumers' evolving tastes and market trends, we launched Grape WATA, and Tru-Almond which both contributed towards revenue. Previously launched TruSHAKE performed well with peanut and butter pecan flavours. We are continuing to place, merchandise and position the newly launched products to boost ongoing sales.

Grow total exports:

Total export numbers surpassed J$1 billion which represented a 71% increase YOY. We started the year strong and by the second quarter exports grew by 103 percent. This continued throughout the year with the main markets in the US, UK and other parts of Europe performing exceptionally well. The decision to shift UK production to Jamaica two years prior has yielded tremendous results. We earn more revenue due to lower production costs and increased our brand affinity as UK consumers are proud that the products are manufactured in Jamaica. This year, UK volumes surpassed our expectations, and we are certain that we are reaching mainstream consumers. Similarly in the US we are noting a crossover into Latin and other Caribbean consumers.



Drive technological efficiency:

We are implementing a new Enterprise Resource Planning (ERP) system to drive technological efficiency and advance our initiatives to reduce paper and improve both service times and service levels.

Financial Results

$39.0B

Revenue

Propelled by strong demand across all categories, Revenues from operations for the year ended June 30, 2022, was $39 billion (see Five Year Financial Highlights) or 22.7% greater than the $31.8 billion of the prior year. Revenue growth in the final quarter of financial year ended 2022 was 30% when compared to the same period in the prior year. During the final quarter, we encountered supply chain issues in selected key raw materials some of which require special transportation equipment. This impacted production and consequently dampened revenue levels.

$13.3B

Gross Profit

Gross Profit for the year was $13.3 billion which was $2.1 billion or 19.2% greater than the prior year whilst our Gross Margin was 33.9% compared to 34.9% for financial year ended 2021. The reduction in Gross Margin, when compared to the prior year, is due to higher energy costs which, resulted from our LNG plant experiencing some downtime, and higher input costs on certain raw materials.

$5.0B

Net Profit

Profit before Taxation for the year was $5.0 billion or 31.3% greater than the prior year's $3.8 billion. Net profit after taxes for the year was $4.1 billion compared to $3.1 billion in the prior year. Our net profit margin of 10.4% for 2022 was greater than the 9.7% realized for 2021 and reflected an improvement of 70 basis points over the prior year.

33.9%

Gross Margin

Our Gross Margin was impacted by inflationary pressures on inputs and the increase in commodities pricing including the cost of oil. Sugar prices and shipping rates also rose so there was a corresponding impact. Although partially mitigated through price increases, we landed 100 basis points lower than the previous year with a Gross Margin of 33.9% vs 34.9% in 2021.

$8.5B

Selling, Distribution & Administrative Expenses

Selling, Distribution & Administrative expenses for the year totalled $8.5 billion, which was 12.8% greater than the $7.6 billion of the prior year. Expanded business activity along with inflation contributed to the increase in these categories of expenses.

However, with the accelerated revenue growth and tightly controlled expenses, we saw a noticeable improvement in our expense-to-sales ratio for the year from 23.8% last year to 21.9% in 2022. This improvement resulted in the slightly higher Net profit margin reported.

$17.8B

Current Assets

Current Assets increased by 24.2% from J$14.2 billion to J$17.8 billion due to excess Inventories being held to minimize disruptions from possible supply chain delays as well as approximately $600 million of deposits placed for new equipment as we move to expand our production capacity during financial year ending 2023.

Our Current Ratio at 2.4 is in line with our prior year, and our return on average equity at 25% improved by 300 basis points over the 22% of financial year ended 2021..

$108M

Finance Income

Included in Finance costs are foreign exchange losses for the year of approximately $34.7 million which compares to foreign exchange gains of $69.5 million recognized in other operating income for the prior year. Interest income improved over the prior year by approximately $108 million due to higher rates being earned on deposits.

$1.08

Earnings per share

Earnings per share for the year was $1.08 per share or 31.7% greater than the 82c per share for the prior year.

$0.40

Dividend payout

A dividend of 20c per share was declared on June 27, 2022, and has been accrued in our financial statements. The accrued dividend, along with the dividend of 20c per share paid on March 1st, 2022, brings the dividend for financial year ended 2022 to 40c per share, resulting in a dividend yield of 2.0% (1.9% FY21), based on the closing stock price at June 30 of the respective financial years.

The 40c dividend per share for FY22 is 33.3% greater than the 30c per share for FY21.

Outlook for the Future

Our business has demonstrated its agility and resilience while Jamaica heads toward economic recovery. Delivering sustainable growth and increasing shareholder value are our main objectives for the long term while ensuring the engagement of our Wisynco Team.

Going forward, fulfilling our strategic vision centres on leveraging our strong capital base to re-invest in the business and seizing attractive opportunities to expand both locally and in international markets. This involves:

- Capital investment in significant expansion plans. We are pouring J$5 billion into major projects including two new sophisticated production lines, expanding our energy generation plant, new buildings for manufacturing, a new ERP system, and positioning the Company to enter new channels of business.
- Investing in our people. We are launching various learning and education initiatives to recruit and train in anticipation of greater demand.
- Growing exports to realize untapped potential. We have several initiatives underway and are aligning increased production capacity with a greater focus on building and leveraging in-market relationships, which will augur very well for future growth.
- Fulfilling our commitment to reducing the environmental impact of our operations. We aim to do more in measuring our carbon footprint and we are exploring the possibility of capturing carbon dioxide outputs for further processing. We aspire to a net zero water standard where we return the quantity and quality of natural water we use to the environment. In line with Jamaica's climate change policy, we will also place increased scrutiny on the outcomes and objectives of Recycle Partners of Jamaica and make our own targets public so that we make our promise visible to all and therefore drive the collection of plastic to be recycled.

2022 Five-Year Financial Highlights

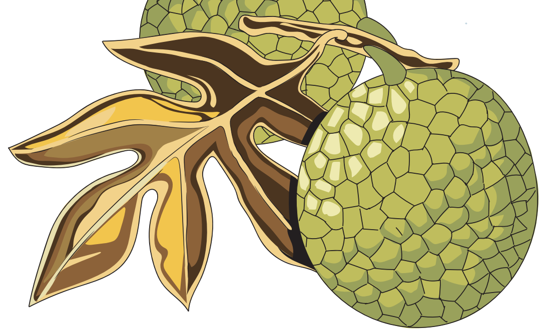
Year ended 30 June	**FY 2018** ***$'000***	**FY 2019** ***$'000***	**FY 2020** ***$'000***	**FY 2021** ***$'000***	**FY 2022** ***$'000***
Revenue	$24,544,049	$26,939,227	$32,170,426	$31,816,430	$39,045,880
% Change YOY	14.8%	9.8%	19.4%	(1.1%)	22.7%
Gross Margin (%)	37.2	37.1	34.4	34.9	33.9
Net Profit After Tax	2,292,925	2,542,165	2,662,667	3,072,300	4,053,683
EBITDA	3,804,507	4,260,465	4,472,670	5,019,790	5,977,391
EBITDA Margin (%)	15.5%	15.8 %	13.9 %	15.8%	15.3%
Net Profit Margin (%)	9.3 %	9.4 %	8.3 %	9.7%	10.4%
Debt: Shareholders' Equity	0.3	0.2	0.2	0.1	.09
S&D & Admin Expenses to Sales (%)	26.0	26.8	25.3	23.8	21.9
ROE (%)	26.4	22.9	20.5	20.4	22.8

Five-Year Financial Analysis

Year ended 30 June	FY 2018 *$'000*	FY 2019 *$'000*	FY 2020 *$'000*	FY 2021 *$'000*	FY 2022 *$'000*
Revenue	**24,544,049**	**26,939,227**	**32,170,426**	**31,816,430**	**39,045,880**
Cost of Sales	(15,421,144)	(16,867,965)	(21,103,363)	(20,700,100)	(25,794,948)
Gross Profit	**9,122,905**	**10,071,262**	**11,067,063**	**11,116,330**	**13,250,932**
Other Operating Income	92,157	288,656	142,654	240,581	151,559
Selling and Distribution Expense	(5,412,601)	(6,124,857)	(6,784,843)	(6,149,378)	(7,094,702)
Administration Expenses	(956,683)	(1,097,978)	(1,370,277)	(1,416,660)	(1,437,412)
Operating Profit	**2,845,778**	**3,137,083**	**3,054,597**	**3,790,873**	**4,870,377**
Finance Income	130,837	119,218	320,495	195,534	301,258
Finance Costs	(211,411)	230,205	(155,844)	(153,730)	(149,059)
Share of results from Associates	**-**	**7,792**	**984**	**(29,722)**	**(28,124)**
Profit before Taxation	**2,765,204**	**3,033,888**	**3,033,888**	**3,802,955**	**4,994,452**
Taxation	(513,834)	(491,723)	(557,565)	(730,655)	(940,769)
Profit from Discontinued Operations	41,555	387157	139,736	-	-
Net Profit	**2,292,925**	**2,929,322**	**2,802,403**	**3,072,300**	**4,053,683**
Other Comprehensive Income Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of foreign subsidiary	26,853	(1,038)	9,765	6,093	(570)
Share of other comprehensive income of associate	-	-	9,322	5,636	18,504
Unrealized (loss)/gain on investment securities	3,728	10,886	17,302	11,362	114,701
Total Comprehensive Income	**2,323,506**	**2,939,170**	**2,838,792**	**3,095,391**	**4,186,318**
Earnings per Share **from continuing operations**	**0.61**	**0.68**	**0.71**	**0.82**	**1.08**
From discontinued operations	0.01	0.10	0.04	-	-

Celebrating Jamaica

We close with humility and tremendous appreciation for our employees, customers, and shareholders. As proud Jamaicans in all that we do, Wisynco is fully committed to consistently creating value and giving back to our country and people as a whole. We are confident that the next 60 years will be tremendous for Wisynco, our people and the country. Thank you for being on this ride with us!



Marketing

Bringing the best of Jamaica to the World

Wisynco is the quintessential Jamaican company, from our roots as shoe manufacturers to our innovation of the original Jamaican soft drink BIGGA to launching the first locally crafted energy drink Boom! We are proud of our history, heritage, and people, and stride confidently into the future. We are Jamaicans. Bringing the best of Jamaican manufacturing to the world while being mindful of sustainability in all we do.

We have established ourselves as one of the leading distribution companies in Jamaica and continue to attract new partners and expand our range of offerings. Our ability to understand and respond to consumers through relevant innovation, impactful marketing campaigns and a focus on reinvesting in communities enables us to stay ahead of the competition.

The impact of the pandemic catalysed a restructure of our Marketing efforts and a shift toward bringing many of our strategies primarily into the digital space as we continued to develop and market our extensive portfolio of homegrown and imported brands.

We continue to expand our portfolio in new and existing categories and be the market leader in the bottled water, flavoured water, energy drinks, flavoured drinks, and juice categories, with the WATA, CranWATA, Boom, BIGGA, and Tru-Juice brands, respectively

WATA

Our flagship brand, WATA, has been hydrating Jamaicans for over twenty years since the year 2000 when Wisynco led the local innovation in that segment. Our sales and reach in terms of customers and package types have expanded exponentially over the years. We continually invest in the brand to offer our consumers more options and better experiences. Our iconic brand has now become synonymous with national fervour as we continue to align our marketing efforts with the significant moments in Jamaican life.

In July 2021, we continued to support our annual Independence celebrations with special commemorative labels to honour Jamaican culture. For 2022, WATA will continue to be the brand on everyone's lips, as we take our role as 'the hydration brand of Jamaica' seriously. For the island's 60th anniversary celebrations we were designated the "Official WATA of Jamaica 60" and activated a give-back through educational grants to our nation's students and teachers.

WATA continues to support sporting activities as an important platform for the personal and professional development of our youth. We maintain a connection to our national sporting teams and are the hydration sponsor of the male and female National Football Teams, the National Netball Team, the Jamaica Premier League, School Boy Football, and the JAAA as well as multiple fitness and community sporting activities around Jamaica.

Grape WATA Launch

In February 2022, we launched Grape WATA, our latest beverage innovation. A multi-media marketing campaign was launched in May 2022 to support the trending brand. There is much more to come for the 'Grape Escape".

Trade Winds

While there were fewer innovations this year for the new Trade Winds Dairy portfolio we conducted islandwide sampling and promotion of our new TruSHAKE flavours.

Social media

Capitalizing on the power of social media to recruit new consumers and increase direct communication and engagement, our digital strategy encompassed the management of 20 pages, including Facebook, Instagram, Twitter, and YouTube. Through these efforts, the Company has acquired over 460,000 fans/ followers, created over 127,000 impressions, and engaged 1,400,000 consumers online.

While the pandemic continued to restrict face-to-face trade marketing activity for much of the financial year, we used the extensive reach of social media to showcase and promote our wide range of food and beverage products and partnered with our customers to engage consumers. This included WATA Celebrate di Winnings, WATA Reggae Wave, and WATA Wishes in December 2021.

Our grocery brands launched two joint social media trade and consumer engagement campaigns called the Wish List (Christmas) and 100 days of Summer which boosted traffic to our IG and Facebook pages by 25%.

As pandemic restrictions lifted, we resumed our place as lead brands for significant events in local media and entertainment events. Major activities and campaigns included:

- CranWATA sponsorship of the Schools Challenge Quiz
- Participation in the Jamaica Rum Festival in June 2022
- The Carifta Games hosted by Jamaica in March 2022
- Hope Gardens four series Fitness Event July- August 2021
- The Social House Reality Series sponsored by Boom
- Coca-Cola Twist for Gold October 2021

Worthy Park

Our alliance with Worthy Park Estates continues to be an integral part of our growing portfolio and yielded promising results during the financial year. Our exclusive brands, Worthy Park and Jamaica Gold dominated the sugar category which resulted in a 14% increase in sales over the last year and the strengthening of our strategic position in this market. In the alcohol category, the May 2022 introduction of the premium Worthy Park Select Rum Cream as well as positive outcomes for the Rum Bar brand resulted in an increase in sales and increased trade and core consumer engagement.

St. Mary's

The JP Tropical snack portfolio benefitted from greater managerial and marketing attention to bolster its trade activations and customer engagement. As we emerged from the restrictions of the pandemic, a new product category, Johnny Crunchers, was launched. The brand engaged in above-the-line and social media campaigns as well as trade activations and extensive sampling to introduce the products to new consumers. The brand also launched a line extension to its Plantain Chip line and refreshed the packaging of the entire portfolio to meet consumer trends.

Eco Marketing Activities

Our recycling activities have transitioned to engaging with consumers through the programmes of Recycling Partners of Jamaica. This planned transition allows us to focus our efforts on education and support for environmental sustainability. We know that our stakeholders share our passion for the environment, and we use our social media pages strategically to highlight the need for and ease of recycling and environmental awareness. We will continue to engage in community and school eco-activities to help our consumers to keep recycling top of mind.

In continuing to develop and market an extensive and diverse portfolio of brands from leading food and beverage manufacturers in Jamaica and across the world, we ensure integration at all levels with staff, customers and consumers. This results in the continuous expansion of and opportunities for not only beverage brands but also our snack, ice cream, grocery and confectionery portfolio.

Through our locally owned and manufactured beverages, Wisynco remained relevant by executing eight (8) media campaigns, two (2) major charitable campaigns and maintaining twenty-two (22) social media pages to create awareness and engage with consumers. To keep our portfolio fresh, marketing activities included six (6) seasonal label changes, one major product launch, and the line extension of one significant beverage brand. In addition, our brands added value to consumers by gifting over 150,000 bottles of beverages and over 20,000 premiums at the point of purchase via 1,300 promotions in 1,100 retail outlets and street-sampling activities across Jamaica. Sponsorships and donations provided over 185,000 bottles of beverages to support the efforts of 180 organizations.

Reaching our customers with the right products at the right time

COVID-19's wrath has touched each one of us in some shape or form and FY2021-22 was certainly no walk in the park as we continued our journey of 'improving the lives of our people" despite the spectre of the pandemic. We take this opportunity to say special thanks to all the hardworking front-line workers who never relented despite the many obstacles they faced and helped us win in the market.

With our thrust of advocating to our teams the importance of vaccination, we were elated to see record numbers of sales and merchandising team members come out to the office and support the initiative. A massive "BIG UP" to them as they took one 'in the arm' for the team. Kudos to the HR team and volunteers who provided unbelievable support, encouragement and guidance.

Despite FY2020-21 showing signs of a depressed market, coupled with chronic global supply issues, our teams still forged ahead and delivered on our mantra of "No Brand, No Shelf, No Customer or person left behind". This was evident in our remarkable final sales numbers and customer contact points. We are continuing to roll out new systems with our activity-based selling initiatives, ensuring we reach our customers with the right products at the right time. Implementing new systems for efficiencies around routing and delivery to all our valued customers, helping the team to focus on selling, is ongoing.

With the hospitality sector and some schools opening up during the later months, we were happy to see sales improving on a regular basis, with the division registering 66% growth when compared with last year. Exports too showed major signs of improvement and this augurs well for us as we seek to capitalize on more opportunities in this marketplace.

The outstanding stewardship of the sales leadership must be commended as our leaders worked tirelessly to keep the teams customer-focused. Overall, we delivered excellent results, and we are deeply grateful for the continued dedication and commitment of our outstanding team as we aim even higher for FY2022-23.

Operations

The financial year 2022 has been a year of unpredicted growth for the logistics and distribution operations of Wisynco with the rebound from the COVID-19 pandemic. Wisynco's operations have once again adapted and thrived in a dynamic economy. These year-end results are a testimony to Wisynco's ability to meet any challenge. While supply chain issues hindered our normal, class-leading, efficiency in the supply of finished products, operations and manufacturing have worked together to implement more agile methodologies to match supply with demand. Concurrently, we have increased our peak capacity while reducing overall labour cost per case.

Our fleet and facilities maintenance has also experienced a challenging year stemming from supply chain issues. Spare parts have seen a sharp increase in price coupled with arduous lead times for delivery.

Wisynco's operations has continued to invest in our facilities and support infrastructure in the following ways:

1. We have commissioned our first satellite distribution warehouse in Trelawny to further our brand penetration in rural territories.
2. We are currently implementing two IT-based solutions to further improve our route optimization and delivery performance.
3. The canteen facility has been upgraded and expanded by 3,000 square feet.
4. Investment in a new state-of-the-art gym open to the group.

Wisynco applauds the contribution and sacrifice of the team during the pandemic and look forward to continued growth as the country recovers.

'Wata' plant at Wisynco's Lakes Pen location.

Manufacturing

Staying Ahead with Agility and Innovation

The Manufacturing Team remained robust and continued to make steady gains in multiple areas, despite the challenges caused by the COVID-19 pandemic. At the heart of Wisynco's plans to catapult our growth is our manufacturing prowess. We are proud of our ability to stay ahead of the crisis by being agile, focused, and innovative.

Notably, we continued producing consistently even though there were significant supply chain issues related to spare parts, raw materials, high labour turnover of technical staff, and absences due to COVID-19-related issues.

Notwithstanding the difficulties we successfully increased production by approximately 24% in the financial year 2022. We are committed to always improving our efficiencies and remaining relevant and productive in a fast-paced and ever-changing environment.

We continue to maintain our international certifications which are key levers for accessing new markets. We retained our Quality Management Systems Certification (ISO 9001), Food Safety System Certification (FSSC 22000), Occupational Health and Safety Management Certification (ISO 45001), and Environment Management System Certifications (ISO 14001).

Major projects during the year included:

- Power generation expansion with the purchase of a new 2KVA Diesel gas blend unit which will be installed in FY22/23. This will dramatically improve the quality, reliability, and cost of electrical energy for our company.
- Installation of a Fire protection ring at White Marl, complete with a ring main around the facility, a fire pump and water storage dedicated to fire safety. This extensive undertaking was finally completed in July 2022 and enabled us to surpass the Jamaica Fire Brigade standards and pass certification of the facility.
- Major upgrades to our internal water supply system to improve the reliability of supply and accelerate our water usage ratio reduction (WUR). We are also upgrading our piping structure and began the design of a more efficient water purification system for implementation in fiscal 2023.
- Re-commissioning of a production line at our White Marl location to help us meet heightened demand during the year and supplement key stock-keeping units (SKU's) not being produced at the Lakes Pen business unit.

Liquified Natural Gas (LNG) plant at Wisynco's Lakes Pen location.

Investing and Upgrading for the Future

In anticipating continued strong demand for our core products, we designed and purchased a new line with new utility equipment and started construction to extend the current facilities as part of the announced $5 billion capital outlay. This additional line will be installed at Lakes Pen by the fourth quarter of financial year ending 2023 and commissioned during 1st quarter of financial year ending 2024.

At White Marl, we embarked on a long-term strategy to improve line efficiencies by making several upgrades. This included the acquisition of a new high-speed labeller, two new palletizers, and a new in-line pallet stretch wrapper. These were acquired in the third quarter of Fiscal 2022 and will be installed and commissioned by the third quarter of fiscal 2023.

We also started upgrading a line to include a mixer and filler, utilizing the latest available technology with an energy-saving feature. This line will be shipped and installed in 2023 and will greatly enhance our ability to meet consumer demand and allow flexibility in production planning. These improvements with new machinery total approximately $1.9 million USD.

Health and Safety for ALL

At Wisynco we strive to build a robust health and safety culture of zero harm. Continuous training and adherence to the highest safety standards increases our ability to work in an environment of zero accidents. We engaged our entire workforce in the celebration of "World Day for Safety and Health in the Workplace" in April. Employees participated in quizzes, puzzles, Instagram spotlight roving camera, and a jingle competition. The teams absolutely loved it! This is a small example of our ongoing commitment to "improve the lives of our people".

In our manufacturing division we continued to support our employees by extending the facility of providing transportation, a practice brought on by the pandemic.

It is because of this support that we can maintain noteworthy achievements in an unquestionably difficult year. We will continue to blaze the trail and lift our team members through continued efforts as we grow, adapt, change and innovate.

Human Resources

Remaining Resilient

Our people are the heart of our business, and our commitment to improving their lives is unwavering. We remain focused on our aspiration to provide meaningful work, in the best possible environment while offering best-in-class learning and career development opportunities. In Fiscal 22, as the pandemic entered its closing phase, we faced many challenges including staff retention and engagement. We also welcomed two new senior leaders to the Wisynco HR team. In embracing change, we look forward to building on our firm foundations and delivering a transformational people agenda.

Key People Priorities

THE TALENT AGENDA

This year we continued our investment in leadership development with the first cohort of the inaugural Wisynco LEAD Programme which ran from July 2021 to August 2021 and focused on building the capabilities of second-tier leaders in our organization. Having completed the groundbreaking programme, this first group of nine (9) leaders is expected to role model the newly acquired capabilities and strengthen our succession plans.

One of our goals is to strengthen the capacity of all employees to meet the demands of the workplace, future learning and everyday life through the development of essential skills. The Wisynco TRAC Programme (Training to be Relevant, Adaptable and Confident) officially started in September 2021. The target audience is employees who wish to upgrade their proficiency in the areas of English, Mathematics and EDPM (Electronic Document Preparation and Management) to the secondary level.

A total of 45 employees enrolled for Cohort 1 across the three subject areas. Their current roles span Office Attendant, Haulage Clerk, Grounds Crew, Packaging Operator, Credit Note Clerk, Inventory Officer and Data Entry clerk. They represent various departments such as Administration, Operations/ Warehouse, Credit, Inventory, Manufacturing and Security. As an outcome of the programme, participants who attain the desired level of competency are encouraged to sit the CSEC (or City and Guilds Certification) exams in their subject. Cohort 1 is expected to complete the programme in June 2023 after completing the exam. A second cohort will commence the programme in the new school year.

We are proud of the efforts of the learning and development team which hosted 32 competency-based learning activities with participation from 795 employees. Additionally, 308 full-time positions were filled, including 119 roles through promotions and transfers.

Our Employee Tuition Assistance Programme continues to be an essential part of our offering to employees as we support them in their quest for personal development.

EMPLOYEE EXPERIENCE

To acknowledge the contribution of our employees who stepped up to maximize the availability of our products to customers and consumers during the festive season, we distributed a total of 2000 gift baskets to all our employees and contractors in time for Christmas 2021 celebrations.

As part of creating a more comfortable work environment, we completed the construction of the new dining room at our Lakes Pen Canteen and the facility was officially opened in April 2022. We will continue with the expansion and upgrading of the facility to enhance the overall experience.

FORGING AHEAD WITH OUR PEOPLE

At Wisynco, we are proud of the tremendous talent that we have in the business, and we are focused on developing and nurturing our people now and in the exciting future we see ahead. HR will continue to add value by focusing on key areas to support business growth, these include:

1. Targeted Health Safety and well-being programmes across all functions and levels.
2. Leveraging and building on our unique culture to deliver sustainable high-performance and employee engagement.
3. Innovative and "fit for purpose" learning and development solutions to grow our talent pipeline and secure our succession bench.
4. Robust investment in Talent Acquisition to boost recruitment efficiency and quality of hire.

As we refine our plans for the years to come, our commitment to improving the lives of our people and delivering value for our business remains at the heart of all we do. We are encouraged by the dedication and selflessness of our Wisynco Team and look forward to working with them to unlock extraordinary possibilities for the whole Wisynco family.

Risk Management and Internal Control

DOING THINGS THE RIGHT WAY

Wisynco recognizes that effective risk management is not about eliminating risk-taking, which is an integral part of any business activity. Rather, the Company strives to balance our strategic objectives with the risks we are prepared to take, all while conducting our business in a socially responsible and sustainable way.

To do so, Wisynco employs an enterprise-wide risk management framework, driven by our company mission, vision and values, to enhance company performance and positively impact shareholder value.

Our risk framework consists of several components including objective setting, identifying and assessing risk and risk responses, measuring and monitoring risks, and finally, reporting on the effectiveness of risk responses to the Executive Management and the Board.

The sub-committee to the Board, the Audit & Risk Committee, oversees the risk management process, reviewing the enterprise-wide risk profile and evaluating key risks on a quarterly basis.

THREE LINES MODEL

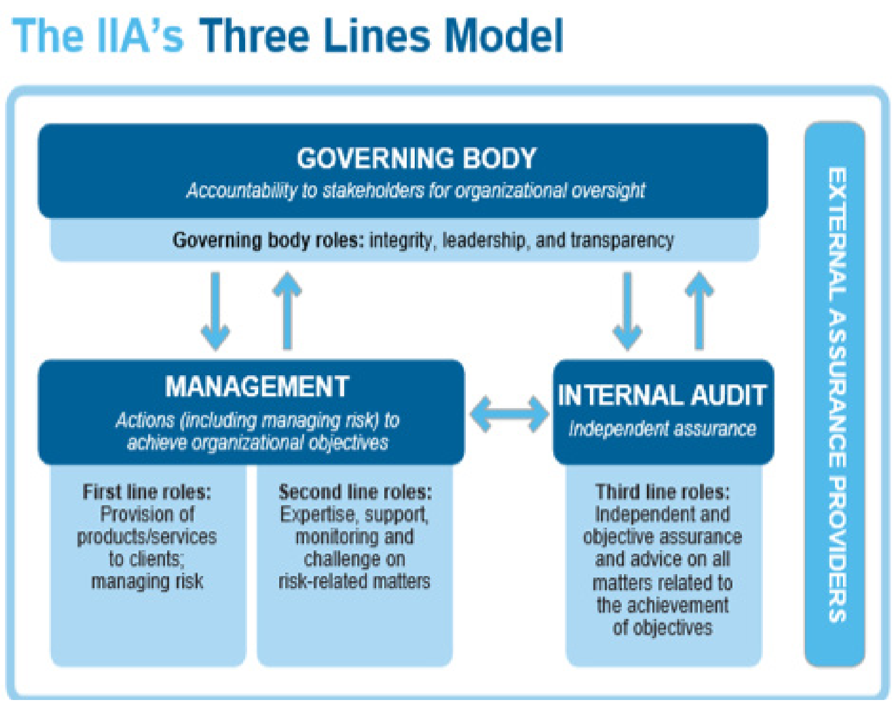
In support of the Company's risk management programme, Management employs the Three Lines Model to mitigate risks and threats.

The model identifies structures and processes that best support the achievement of objectives and facilitates strong governance and risk management.

A critical component of the model is the internal audit function which provides assurance to Executive Management and the Board, through the Audit & Risk Committee, that systems and processes are operating effectively.

Figure 1. Risk Management Components

Source: COSO ERM Framework, 2017



Further, Internal Audit provides support in maintaining the public's confidence by performing independent and objective reviews, and reporting on findings so that corrective actions or enhancements are implemented and followed through to completion.

Overall, this approach to risk management and internal control allows the Committee to 1) make informed decisions about the acceptable level of risk, 2) oversee that Management implements the necessary safeguards and controls to mitigate risk, and 3) align the Company's strategic objectives with company policies and practices, thereby increasing company performance and shareholder value.

Information Technology

Driving Growth Through Superior Technology Support and Innovation

Wisynco marked yet another successful year of driving technological innovation to support the business in satisfying our customers. We focused on sustaining the Company's continued growth by ensuring the availability of expert technology support and building enhanced data capabilities.

Our activities included expanding functionality in areas of Inventory, Warehouse Management, Trade and Logistics to better manage supply chain demands. This is in direct support of fulfilling our growing customer needs and our commitment to enhancing customer satisfaction using information technology.

Having prepared our systems to manage increasing demands, we continued to operate within best practice recommendations to ensure continued uptime and systems availability. Once again, we are pleased to report that systems availability throughout the year met our Key Performance Indicator metrics. Improved monitoring and maintenance played a key supporting role in meeting these standards.

As we emerge from the pandemic, we have adopted a standards-based approach to IT (COBIT) which is targeted for completion in the upcoming financial year. Additionally, our application portfolio was expanded to include cloud solutions in a secure working environment that provided ease of access to users.

We also focused on the performance management of the team and preparing our technology team to better support new emerging systems from best-of-breed technology suppliers and partners. People development is critical to our success, and we invested in training and developing our IT staff to fuel the fast pace of change of our technology systems. This will be ongoing as we continue to modernize and expand our information technology assets which in turn drive our ability to innovate.

Data security and privacy are of utmost importance to us. We, therefore, remain vigilant in an increasingly hostile cybersecurity environment and consistently maintain strict procedural guidelines to manage all risks and mitigate threats using current technologies. This will remain an area of constant review and update.

As we look towards the future, we are poised to continue this journey of technological innovation to increase agility, drive efficiencies and support the business in meeting our strategic objectives and the expectations of all our customers.