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	QUESTION	RESPONSE
i)	Mr. Wesley Thomas: What contributed to the considerable decrease in bad debt expenses between FY18 and 19.	William Mahfood: better management of accounts receivables – congratulations to the management team for this achievement.
ii)	Mr. Wesley Thomas: what contributed to the increase in wages and salaries from 3 billion to 3.5 billion?	William Mahfood: the Company grew, adding 150 new staff members during the 2019 financial year. In addition to this, annual salary increases and annual profit share for staff contributed to the increase.
iii)	Mr. Orrette Staple: (directed to the PwC Representative Recardo Nathan) Mr Staple queried why the consideration paid to acquire an equitable stake in St. Mary's Snacks "drew his attention". Follow-up question: What impact might this have on management?	Recardo Nathan: the figure paid for investment in associate included cost of shares and intangible assets. Intangible Assets are by nature subjective in terms of how to value said assets and this is why focus was placed on the consideration paid. An evaluation was done and PwC determine it was comfortable with the amount paid. The valuation will be reviewed each year to determine if there is any indication of impairment. If no indications of impairment, there is no impact on the balance sheet.
iv)	Mr. Orrette Staple: St. Mary's Snacks only provides administrative services to its subsidiary, Antillean Foods, manufacturer of the snacks – was there anxiety to purchase 30% of the company valued at 12.9 million dollars? Follow-up question: Was this an acceptable purchase by Wisynco?	Andrew Mahfood: the figure mentioned, 12.9 million dollars, is the equity pick-up in Wisynco's shared profits in Antillean Foods which is a 100% own subsidiary of JP Snacks. Apart from the benefit of the equity pick-up, we invested in JP Snacks and now Wisynco benefits from exclusive distribution of their portfolio which represents significant revenue and growth opportunities. Andrew Mahfood: it was a brilliant purchase.
v)	Mr. Orrette Staple: the shares issued to minority shareholders is 17.9% or 669 million shares – these are the only shares traded on the stock market. Is there a possibility that the Company's Top 10 shareholders are buying back the shares of the Company so that over time the number of minority shareholders dwindles.	William Mahfood: the possibility exists however one of the main reasons the Company made the decision to list on the stock exchange is so that both the general public and employees can have ownership in the company.

vi)	Mr. Orrette Staple: queried why such a large amount of trade receivables was still owing after 90 days?	Andrew Mahfood: the Company's receivables over 90 days was 49 million dollars. Unfortunately that's how business is sometimes – some customers take longer to settle outstanding balances. As at June 30th trade receivables of 30.9 million – a provision made in 2019 will be credited in 2020.
vii)	Mr. Michael Edwards: with regards to receivables and pre-payments increased – he queried whether the Company should put this money into a cash to earn interest? And in terms of receivables he queried whether the Company should sell these to a financial institution to collect monies and increase liquidity.	Andrew Mahfood: pre-payment are items like insurance, so it is not cash. The receivables are related to revenue growth. It is not our policy to sell receivables to a financial institution as this would make a bank richer and would not be beneficial in the long term to the Company or its shareholders.
viii)	Mr. Michael Edwards: investment securities – cash and short term deposits decreased – he queried whether these funds should be invested in securities for a better return.	Andrew Mahfood: this means that we found better instruments to invest the funds in. Cash deposits increased. The average rate of return on US and JMD deposits are very good in todays market.
ix)	Mr. Michael Edwards: what measures is Wisynco taking to ensure there are no transaction losses on foreign exchange?	Andrew Mahfood: the Company watches both the exchange and inflation rate closely. Our costing methodology ensures goods are appropriately prices and reserves held primarily in USD. We have to work with and keep ahead of the risks presenting them.
x)	Mr. Livingston Young: requested clarification of Note 12 on Page 100.	Andrew Mahfood: this reflects the reconstruction of the Wisynco Group as a whole prior to its listing on the Jamaica Stock Exchange whereby some entities were removed from the structure seen now. The removed companies are accounted for under discontinued operations and they have no impact on the Company's present day activities. The note being referred to by Mr. Young is more so an informative one on the impact of the discontinued operations.
xi)	Mr. Romario Sterling: With regards to the Exports channel, does the Company have a strategy or objective in place to achieve targets and rise above challenges?	William Mahfood: historically the Company's desire and need was to satisfy the local demand first. For the first time ever last year the Company was able to both satisfy local demand and have additional capacity to export to international markets. The intention is to keep focussing along these lines.

xii)	Mr. Romario Sterling: during the IPO process one of the Company's goals was to build a distribution centre on the western side of the island, is this still the case?	William Mahfood: yes and we hope to complete negotiations for a location some time next year.
xiii)	Mr. Romario Sterling: with regards to inventory turnover, what strategies does the Company have in place to boost efficiencies?	Andrew Mahfood: one of the worst things that can happen to this Company is to run out of stock. The Company has set a recurring goal to never run out of stock which requires efficient forecasting and ordering by our team. Q1 Fy 20 results shows that we were able to meet demand and also grow revenue by 35% and we hope to continue on this path and improve again in Q2. We also have good cash reserves on hand to buy inventory.
xiv)	Stephen Dawkins: how does the Company plan to rise above the challenges in meeting export demand?	William Mahfood: with the new increase in capacity the growth in exports have come at a faster pace. The realistic challenge is for our core product, WATA, it is difficult to be competitive in foreign markets so we will need to focus on product innovation and unique niche products.
xv)	Stephen Dawkins: queried how material the first quarter of the year is for the Company.	William Mahfood: historically the first 6 months of the year is usually the highest selling period for the Company. With increased capacity and strategic partnerships one aim is to have a more balanced revenue throughout the financial year and the hope is to see more consistent revenue throughout.
xvi)	Stephen Dawkins: does the Company have any new strategic alliances in the pipeline?	William Mahfood: the Company is always on the lookout for new opportunities which can increase shareholder value.
xvii)	Stephen Dawkins: Can more be done to better the island's recycling capabilities?	William Mahfood: Wisynco is one of the founding partners and driving forces behind Recycle Partners of Jamaica. RPJ will soon be launching a full national campaign to promote and encourage recycling. This will include educating persons nationally and increasing infrastructure to support greater recycling. He identified Wisynco's ECO team leader and recommended that Mr. Dawkins speak more with her for further details.

xviii)	Neville Ingram: queried the status of the LNG plant and what the cost savings would be for the Company.	Andrew Mahfood: the plant is not yet complete but the hope is to have it running in Q3 of FY20. The engines are now in Jamaica and preparations for installation will begin shortly. Cost savings should amount to 1 million USD each year.
xix)	Patricia McLeod: given that Cranberries are not grown locally, what research went into that product development to determine that it would be a successful product in the market?	William Mahfood: Wisynco was the first company in Jamaica to introduce flavoured water into the local market. This was done through a license agreement with Ocean Spray. We innovated and built that category locally. Today if you travel to various market you will find CranWATA. We have now introduced new innovations to our flavoured water line looking at new flavours and ways to expand. The Company identified that there was no flavoured water in the market and took advantage of that opportunity to lead the category.
xx)	Lanzel Bloomfield: there is concern about local companies not being able to source sufficient foreign exchange at low costs. Some companies enter into forward booking arrangements with banks – how reasonable is this and does this push down the value of the USD?	Andrew Mahfood: the Company has spoken with many banks about the possibility of entering into a forward booking arrangement. It is my opinion that these banks are not yet ready for such arrangements. The bank cant know for certain what the FX rate will be in the next month and I don't yet believe there is a proper forward exchange market.
xxi)	Lanzel Bloomfield: there is a proposal to introduce paternity leave in Jamaica. If this becomes a reality, what would be the cost to the Company to have this in place?	William Mahfood: unfortunately our head of HR is not here to provide a proper response to this. I am personally in favour of a small amount of time being awarded to new fathers to be able to spend time with their children. A part of this scheme would not be to not only provide adequate remuneration but to also ensure a balanced quality of life.
xxii)	Livingston Young: stated that he did not receive a notice of the AGM in the mail.	William Mahfood: the notices are sent in the mail though our Registrar, the JCSD. I will also ask in the future that notices be posted in the newspaper and on the radio.
xxiii)	Mr. Orrette Staple: requested clarity on the cost of goods sold, being that in 2019 for every $1 earned 0.90 cents of this was expense.	William Mahfood: in terms of expense, there as costs associated with sales. The actual expense for last year was approximately 25% of sales.