WISYNCO GROUP

THE INNOVATORS

General Mills

Coca-Cola

WORTHY PARK ESTATE LTD.

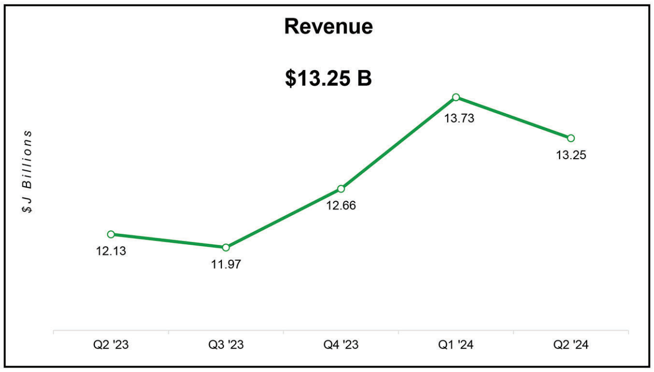
St. Mary's

Trade Winds Citrus Ltd.

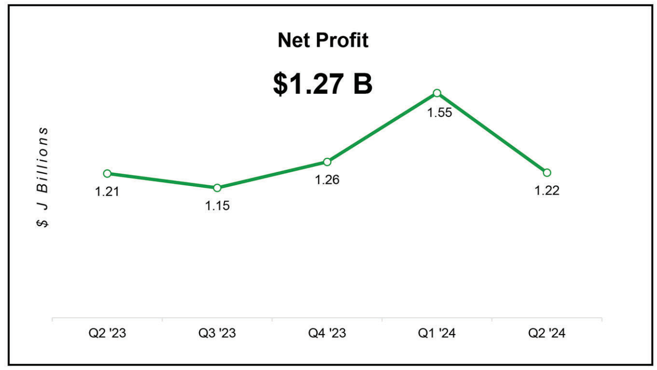
INTERIM REPORT (UNAUDITED)

2nd Quarter ended December 2023

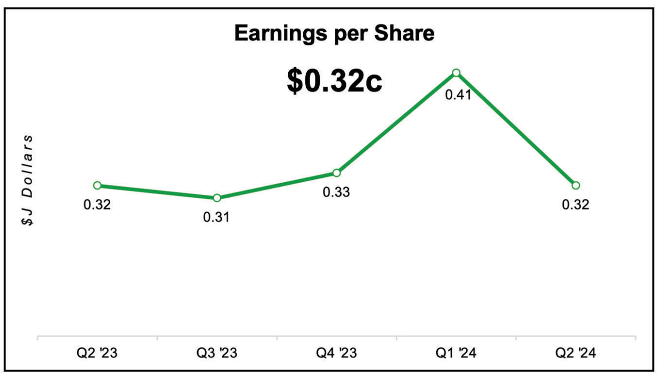
PERFORMANCE HIGHLIGHTS | Quarter 2 - Fiscal 2024



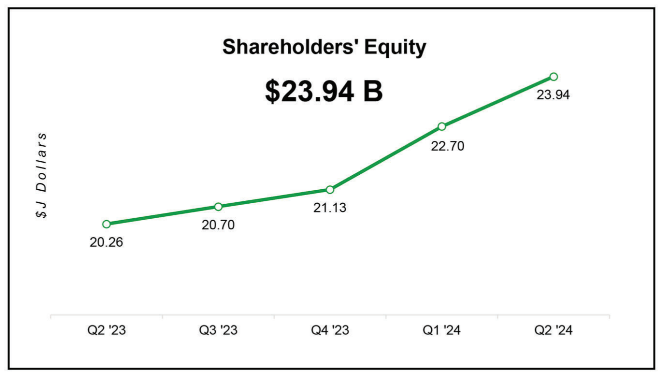
TOTAL REVENUES
+9.3% OVER Q2-23



NET PROFIT AFTER TAX
+0.3% over Q2-23

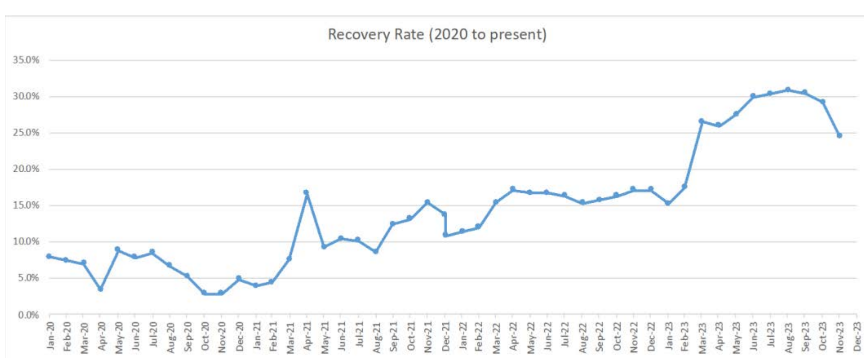


EARNINGS PER SHARE
+0% over Q2-23



SHAREHOLDERS' EQUITY
+ 18.2% over Q2-23

3-MONTH AVERAGE PETE BOTTLE RECOVERY RATE = 28%



"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 second quarter ended December 31, 2023, which have been prepared in accordance with *International Accounting Standard 34 Interim Financial Reporting* .

Revenues for the quarter of $13.3 billion represent an increase of 9.3% above the $12.1 billion achieved in the corresponding quarter of the previous year. Demand for our products continues, however our new high speed filler machine was commissioned around the third week of December, which impacted our ability to deliver our products to customers in the volume and variety demanded in the peak season.

Gross Profits of $4.4 billion were 4.7% greater than the $4.2 billion of the prior year's quarter, however, Gross Margins at 33.3% were lower than 34.7% for the same quarter last year and lower than budget. This key performance indicator was also adversely affected by the production constraints in November and December 2023 which effectively caused a lower absorption of our fixed costs and limited our product mix for optimal shopper take up.

Selling, Distribution & Administrative expenses (SD&A) for the quarter totaled $3.1 billion or 13% more than the $2.7 billion for the corresponding quarter of the prior year. Our SD&A expense to sales ratio was 23.4% for the quarter, compared to 22.7% in the prior year. During the quarter under review, we experienced some incremental expenses which was anticipated as we hired talent for our expansionary projects. The impact of inflation along with significant increases in some key categories, specifically general insurance and security, and not getting the expected increased Revenue from the capacity constraints, also contributed to the increased expense to sales ratio.

Profits before Taxation for the quarter was $1.5 billion the comparative quarter for the prior year.

After provision for taxes, Wisynco recorded Net Profits Attributable to Stockholders of $1.2 billion, or $0.32 per stock unit for the quarter, the same as the prior year.

Our Balance Sheet remains strong with a current ratio of 2.8, which is the same for last year's quarter. Our non-current investment securities have increased to $2.9 billion, an increase of $1.6 billion since our June 30, 2023, year-end, as we look to place funds in longer term, higher interest rate bearing securities. Our debt to equity at 11% is favourable and provides the ability for more leverage should opportunities allow.

At a meeting of the Board of Directors held on February 1, 2024, a resolution was passed approving a dividend payment of JMD $0.23 per share payable to shareholders on record as at February 20, 2024. The ex-dividend date is February 19, 2024, and the payment date is March 7, 2024.

We continue to express our sincere gratitude to all Wisynco team members for their dedication and hard work, and are thankful to all our customers, consumers, and stockholders. We remain very optimistic for the future.

Environment

Recycling Partners of Jamaica

During the second quarter of FY24, 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 for the quarter achieved collection rates at a high of 28%.

The Prime Minister officially opened the new depot at Naggo Head, St Catherine on December 14, 2023. It is anticipated that the new location and planned programmes will enable an increase to 50% collect-ability in the near term and upwards thereon. The new, larger location and added capacity and initiatives will hopefully create micro-enterprise opportunities for persons to earn $50 per kg from collection (approximately 62 bottles).

Prime Minister the Most Honourable Andrew Holness, along with (L-R) Fitz Jackson Member of Parliament for St Catherine Southern; Dr. Damien King, Chairman of RPJ; Emma Lewis, member of the Board of RPJ cut the ribbon to officially open the new RPJ depot.

Education

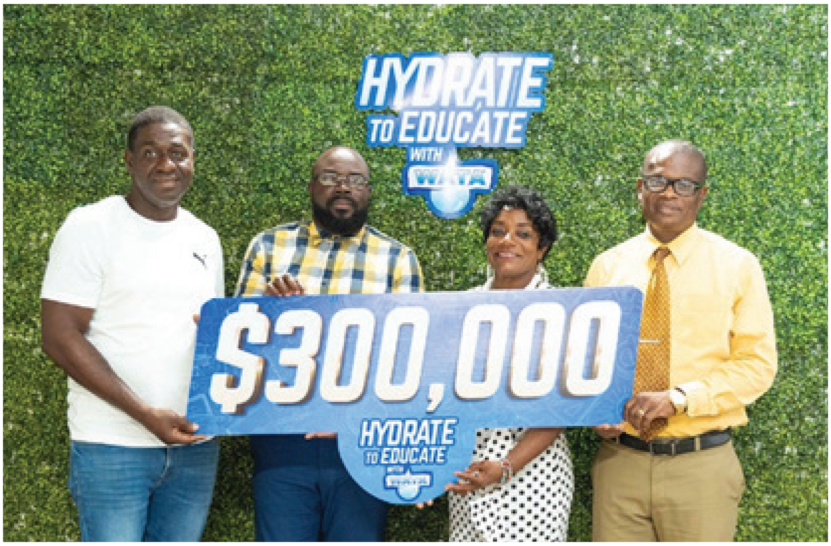
$12 Million 'Hydrate to Educate' Initiative with WATA

Some student grantees and their parents at the WATA 'Hydrate to Educate' reception held in Montego Bay.

WATA 'Hydrate to Educate' Initiative demonstrated yet again, the importance placed on partnership by Wisynco with young Jamaicans. Launched during the first quarter of FY24, a portion of proceeds earned from the sale of 600 ml bottles of WATA was directed to an education fund valued at $12 million.

The company held a reception for the student grantees, their parents and/or guardians and the teacher and/or principal grantees in both Kingston and Montego Bay. The grantees have committed to using the grants for funding of school fees and related expenses as well as school improvement projects.

Other partnership initiatives included food programmes such as the Food for the Poor's "Bright Bites" Feeding Programme which provides meals to students at Bustamante High School for a period of 9 months.



Principals and teachers celebrating their grants at the Kingston-held WATA 'Hydrate to Educate' reception.

Economic/Social Improvement

'BOOM with Love' Initiative: Transforming Lives in Partnership with Food for the Poor Jamaica (FFP)

The brand BOOM continued its campaign with Food for the Poor to provide sustainable housing solutions for Jamaicans in need.

BOOM is dedicated to giving back to our community and supporting charitable initiatives. Over the past three years, we've donated 30 houses through our partnership with FFP.

Ms. Deneesha Whyte and her family received the keys to her new home, just in time for the Christmas holiday.

William Mahfood
Chairman

Andrew Mahfood
Chief Executive Officer

INTERIM FINANCIAL STATEMENTS

Wisynco Group Limited
Group Statement of Comprehensive Income
Six months ended 31 December 2023

	Note	Unaudited Quarter ended 31 December 2023 $'000	Unaudited Quarter ended 31 December 2022 $'000	Six months ended 31 December 2023 $'000	Six months ended 31 December 2022 $'000	Audited Year ended June 2023 $'000
Revenue		13,251,987	12,126,809	26,984,191	24,074,236	48,705,454
Cost of sales		(8,842,871)	(7,915,957)	(17,768,959)	(15,537,985)	(31,850,418)
Gross Profit		**4,409,116**	**4,210,852**	**9,215,232**	**8,536,251**	**16,855,036**
Other operating income		58,704	53,670	122,740	111,202	252,781
Selling and distribution expenses		(2,603,303)	(2,310,806)	(5,030,725)	(4,435,161)	(9,160,849)
Administration expenses		(502,250)	(438,738)	(1,015,691)	(893,569)	(1,789,583)
Operating Profit		**1,362,267**	**1,514,978**	**3,291,556**	**3,318,723**	**6,157,385**
Finance income		169,378	90,386	329,990	175,602	444,487
Finance costs	3	(17,428)	(99,099)	(20,933)	(248,608)	(131,347)
Impairment loss on investment in associated company		-	-	-	-	(105,369)
Share of results of associate		(28,810)	(13,597)	(43,597)	(24,955)	(52,103)
Profit before Taxation		1,485,407	1,492,668	3,557,016	3,220,762	6,313,053
Taxation		(269,333)	(280,270)	(786,572)	(711,195)	(1,390,478)
Net Profit		**1,216,074**	**1,212,398**	**2,770,444**	**2,509,567**	**4,922,575**
Other Comprehensive Income						
Items that may be subsequently reclassified to P&L:						
Exchange differences on translation of foreign subsidiary		2,910	(266)	(1,323)	(1,803)	6,606
Share of other comprehensive income of associate		38	1,704	283	(5,630)	3,691
Items that may not be subsequently reclassified to P&L:						
Unrealised gains/(losses) on investment securities		1,243	1,331	(6,438)	(18,702)	(45,754)
Total Comprehensive Income		**1,220,265**	**1,215,167**	**2,762,966**	**2,483,432**	**4,887,118**
Net Profit attributable to:						
Stockholders of Wisynco Group Limited		1,216,074	1,212,398	2,770,444	2,509,567	4,922,575
Total Comprehensive Income attributable to:						
Stockholders of Wisynco Group Limited		1,220,265	1,215,167	2,762,966	2,483,432	4,887,118
Basic and diluted earnings per stock unit attributable to stockholders of the group	4	**$0.32**	**$0.32**	**$0.74**	**$0.67**	**$1.31**

Wisynco Group Limited
Group Statement of Financial Position
31 December 2023

	Note	Unaudited December 31 2023 $'000	Unaudited December 31 2022 $'000	Audited June 30 2023 $'000
Non-Current Assets				
Property, plant and equipment		9,991,807	6,804,428	7,560,385
Intangible asset		819	1,243	1,639
Investment in associate	5	372,901	539,976	416,780
Loans receivable		282,264	214,017	272,195
Investment securities		2,877,552	1,793,735	1,304,141
		13,525,343	**9,353,399**	**9,555,140**
Current Assets				
Inventories		5,743,604	5,384,303	6,151,108
Receivables and prepayments		5,841,660	4,885,040	5,451,499
Investment securities		1,110,754	640,483	1,105,844
Cash and short-term deposits	6	7,525,495	6,833,999	10,129,216
		20,221,513	**17,743,825**	**22,837,667**
Current Liabilities				
Trade and other payables		4,824,270	4,099,687	6,330,489
Short-term borrowings		1,025,473	780,574	1,014,872
Lease Liability		63,884	142,000	114,808
Taxation payable		1,236,072	765,517	798,186
		7,149,699	5,787,778	8,258,355
Net Current Assets		**13,071,814**	**11,956,047**	**14,579,312**
		26,597,156	**21,309,446**	**24,134,452**
Shareholders' Equity				
Share capital	7	1,262,012	1,258,873	1,261,259
Other reserves		606,608	529,235	558,266
Translation reserve		86,489	70,365	88,095
Retained earnings		21,988,841	18,406,176	19,218,397
		23,943,950	**20,264,649**	**21,126,017**
Non-current Liabilities				
Deferred tax liabilities		41,982	33,885	41,982
Borrowings		2,589,740	928,819	2,926,408
Lease Liabilities		21,484	82,093	40,045
		2,653,206	1,044,797	3,008,435
		26,597,156	**21,309,446**	**24,134,452**

William Mahfood
Chairman

Andrew Mahfood
Chief Executive Officer

Wisynco Group Limited
Group Statement of Changes in Equity
Six months ended 31 December 2023

	Number of Shares	Share Capital	Other Reserves	Retained Earnings	Translation Reserve	Total Equity
	000	$'000	$'000	$'000	$'000	$'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	-	-	-	2,420,954	-	2,420,954
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(18,702)	-	-	(18,702)
Share of other comprehensive income of associate	-	-	-	-	(5,630)	(5,630)
Exchange differences on translating foreign subsidiary	-	-	-	-	(1,803)	(1,803)
Total comprehensive income	-	-	(18,702)	2,420,954	(7,433)	2,394,819
Transactions with Owners:						
Shares issued through Long Term Incentive Plan (LTIP)	18	554	(305)	-	-	249
LTIP expenses, net of taxes	-	-	33,112	-	-	33,112
	18	554	14,105	2,420,954	(7,433)	2,428,180
Balance at 31 December 2022	**3,754,143**	**1,258,873**	**529,235**	**18,406,176**	**70,365**	**20,264,649**
Balance as at 1 July 2023	3,754,287	1,261,259	558,266	19,218,397	88,095	21,126,017
Net profit	-	-	-	2,770,444	-	2,770,444
Changes in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(6,438)	-	-	(6,438)
Share of other comprehensive income of associate	-	-	-	-	(283)	(283)
Exchange differences on translating foreign subsidiary	-	-	-	-	(1,323)	(1,323)
Total comprehensive income	-	-	(6,438)	2,770,444	(1,606)	2,762,400
Transactions with Owners:						
Shares issued through LTIP	70	753	(238)	-	-	515
LTIP expenses, net of taxes	-	-	55,018			**55,018**
	70	753	54,780	-	-	55,533
Balance as at 31 December 2023	**3,754,357**	**1,262,012**	**606,608**	**21,988,841**	**86,489**	**23,943,950**

Wisynco Group Limited
Group Statement of Cash Flows
Six months ended 31 December 2023

	Six months ended 31 December 2023 $'000	Six months ended 31 December 2022 $'000
Net profit from operations:	2,770,444	2,509,567
Items not affecting cash:		
Share of results of associate	43,597	24,955
Depreciation	524,380	526,313
Gain on sale of property, plant and equipment	-	(9,138)
Adjustment to property, plant & equipment	-	10,692
Amortisation of intangibles	819	5,668
Amortisation of loan commitment fees	1,014	792
LTIP expenses	55,018	33,112
Interest income	(318,045)	(175,363)
Dividend income	(23)	(239)
Interest expense	19,919	50,179
Taxation expense	786,572	711,195
Exchange difference on foreign currency balances	(33,351)	21,682
	3,850,344	**3,709,415**
Changes in operating assets and liabilities:		
Inventories	407,504	(69,462)
Receivables and prepayments	(390,161)	(867,443)
Trade and other payables	(642,733)	(1,136,019)
Cash generated from operations	**3,224,954**	**1,636,491**
Taxation paid	(348,686)	(399,317)
Cash provided by operating activities	**2,876,268**	**1,237,174**
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(2,951,295)	(940,992)
Purchase of investments securities	(1,540,028)	(904,875)
Proceeds on disposal of property, plant and equipment	-	9,138
Proceeds from sale of investments securities	-	149,721
Long term receivable	(10,069)	3,589
Dividend received	23	239
Interest received	312,704	173,991
Cash used in investing activities	**(4,188,665)**	**(1,509,189)**
Cash Flows from Financing Activities		
Interest paid	(14,580)	(42,133)
Proceeds from long term loan	-	541,061
Proceeds from shares issued under LTIP	515	249
Long-term loans repaid	(397,175)	(254,295)
Lease liabilities repaid	(76,822)	(63,398)
Dividend paid	(863,486)	(750,825)
Cash used in financing activities	**(1,351,548)**	**(569,341)**
Effects of changes in foreign exchange rates	(9,871)	(25,633)
Decrease in cash and cash equivalents	(2,673,815)	(866,989)
Cash and cash equivalents at beginning of period	**10,031,794**	7,582,364
Cash and Cash Equivalents at end of period	**7,357,979**	**6,715,375**

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. Finance Costs

	Quarter ended 31 December 2023 $'000	Quarter ended 31 December 2022 $'000	Six months ended 31 December 2023 $'000	Six months ended 31 December 2022 $'000
Interest on leases	1,757	3,839	4,051	8,173
Difference in foreign exchange	7,255	71,411	-	197,466
Other	-	789	1,014	963
Interest on loans	8,416	23,060	15,868	42,006
	17,428	**99,099**	**20,933**	**248,608**

4. Earnings per stock unit

Earnings per stock unit is calculated on net profit and is based on the 3,754,261,000 (2022 – 3,753,120,000) weighted average number of ordinary stock units in issue.

	Quarter ended December 31 2023	Quarter ended December 31 2022	Six months ended December 31 2023	Six months ended December 31 2022
Net profit attributable to ordinary stockholders ($'000)	1,216,074	1,212,398	2,770,444	2,509,567
Basic & diluted earnings per stock unit	**$0.32**	**$0.32**	**$0.74**	**$0.67**

5. Investment in Associate

	2023 $'000
At July 1st 2023	416,780
Amounts recognized in other comprehensive income	(283)
Amounts recognized in profit & loss	(43,597)
Amounts recognized in the Statement of Financial Position	**372,901**

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.

6. Cash and Short Term Deposits

	December 31 2023 $'000	December 31 2022 $'000
Cash and bank balances	2,167,180	1,765,732
Short term deposits	5,358,316	5,068,267
	7,525,495	6,833,999
Bank overdraft	(167,516)	(118,624)
	7,357,979	6,715,375

7. 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 - 2,096,525) were retained by the Group as Treasury stock units and 4,357,075 (2022 – 4,153,475) units were issued to employees who exercised stock options under the Company's LTIP.

8. Subsequent Events

The Company declared a dividend of $0.23 cents per share payable to shareholders on record as at February 20, 2024 with a payment date of March 7, 2024.

SHAREHOLDING REPORT as at DECEMBER 31, 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%
Sagicor 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%
Sagicor Pooled Equity Fund	26,913,562	0.7155%
DomHad Investments	24,769,855	0.6586%

Shareholdings of Directors

Directors	Direct	Connected Parties	Total
*William Mahfood	1,596,431	2,781,193,524	2,782,789,955
*Andrew Mahfood	727,763	2,780,739,959	2,781,467,722
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

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