A member of the JN Group

Security Review:

Initial Public Offering: WISYNCO Group Ltd.

Prepared by:

JN Fund Managers Ltd.'s Global Investment Research Unit

November 2017

Company Description: WISYNCO Group

Wisynco Group Limited is a leading manufacturer, distributor of food and packaging products in Jamaica. The core activities of Wisynco Group Limited include: bottling and distribution of purified water and beverages and the manufacturing of plastic and foam packaging and disposable products that are primarily used in the retail, food service and tourism industry. The Group aims to differentiate itself from its competitors in the Jamaican marketplace by providing innovative product offerings; a variety of well-renowned brands and packaging offerings; large customer-base from various sectors; quality products at competitive prices and a well-integrated sales and distribution infrastructure that has extensive geographical reach. Wisynco offers its products through distributors in Jamaica, Antigua, Bahamas, Trinidad, Grenada, Dominica, St. Lucia, Canada, Barbados, St. Vincent, Guyana, Belize, Curacao, Grand Cayman, the United Kingdom, the United States, Aruba, Panama, St. Kitts and Suriname. Wisynco Group Limited has a strong customer base of approximately 10,000 customers and boasts a successful track record in creating and growing renowned brands. The Group is also the sole manufacturer of Coca-Cola, Hawaiian Punch amongst other brands in Jamaica. Currently the company distributes 110 brands with over 4,000 different products. The following highlights some of the renowned brands that Wisynco Group Limited has in its portfolio:

The Wisynco Group Limited was established in 2005 as an amalgamation of several, multi-generational family businesses and is the subsidiary of Wisynco Group (Caribbean) Limited, a Barbados International Business Company. The company has a large sales team which comprises of over 700 employees. The Group operates at two main locations in St Catherine in White Marl and Lakes Pen. The company's manufacturing takes places at White Marl, while the Lakes Pen location carries out the distribution activities. In addition to these properties the company temporarily leases storage facilities in St Catherine and Clarendon. Wisynco adheres to highest quality standards as its factory is ISO9001.2008 and FSSC certified. The company has a strong network of suppliers in the United Kingdom, Turkey, USA, Ireland, China, Puerto Rico and Costa Rica

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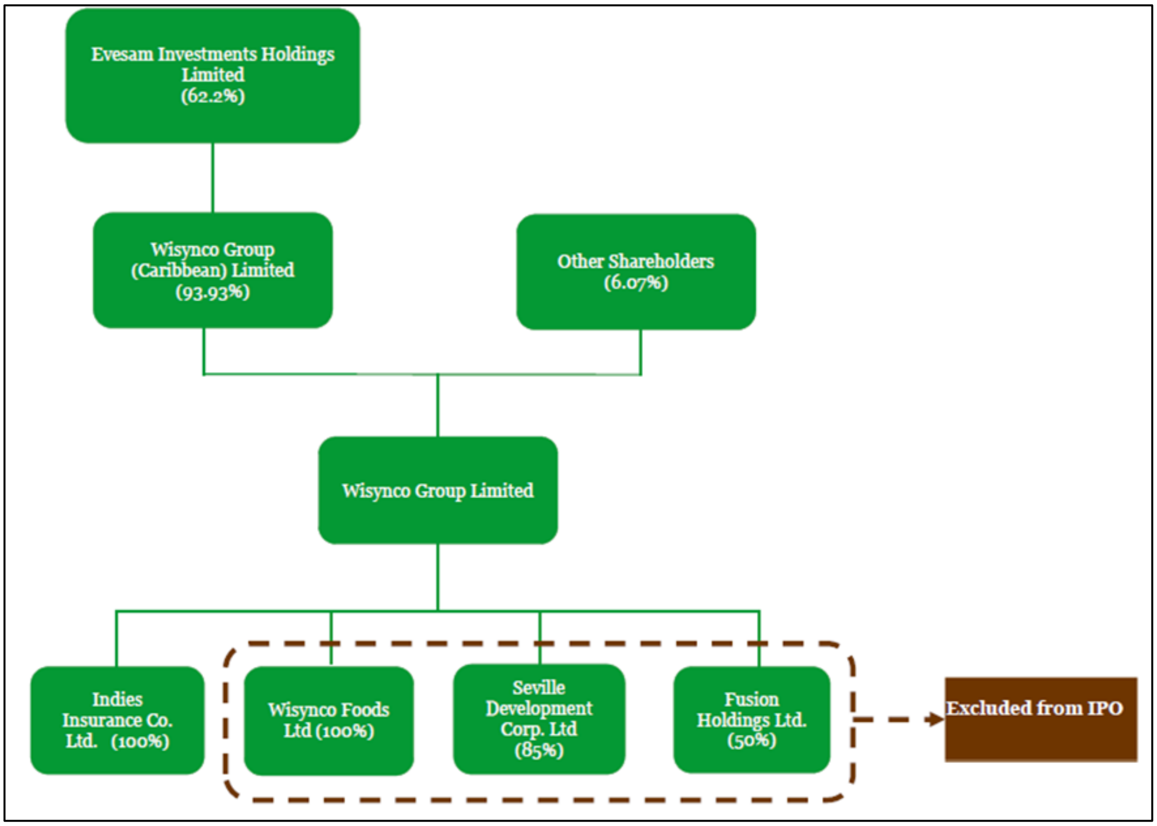

On 30 October 2017, the Company effected a Scheme of Reconstruction ("reconstruction") resulting in the Company retaining primarily its core businesses of manufacturing, bottling, distribution of beverages, synthetic packaging, food items and other products. This reconstruction was approved by Tax Administration Jamaica under the laws of Jamaica. As a consequence of the reconstruction, the Company transferred its non-core businesses to separate legal entities that are not associates (as defined by the Companies Act of Jamaica) of the Company but will remain related parties given the commonality of the ultimate parent company. The businesses transferred were:

- **Wisynco Foods Limited** - this company is engaged in the preparation and sale of meals under the Wendy's and Domino's quick service restaurant brands.
- **Seville Development Corporation Limited** – this is a land holding company with no other operations.

In furtherance of the reconstruction, the Company's investment in **Fusion Holdings Limited** was transferred to a separate legal person. As at the date of the Prospectus, arising from the reconstruction, the Company holds no legal or equitable interest in Wisynco Foods Limited, Seville Development Corporation Limited or Fusion Holdings Limited.

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Analyst's Opinion: WISYNCO Group

Recommendation	BUY	Implied Price Upside	38.04%
Initial Public Offering Price	JMD 7.87	Implied Dividend Yield	1.88%
Estimated Fair Value	**J$10.86**	Implied Total Return	**39.92%**

The Wisynco Group has demonstrated sustained growth over the last five financial years in both their top and bottom-lines. This has been the result of increased customer demand generated from the Group's efforts to expand its suite of owned and non-owned brands such as WATA, Bigga, Boom, Coca-Cola, Red Bull and Hawaiian Punch. The Group also possesses a solid liquidity position amassed through years of efficiency and profitability which is complemented by low leverage. Wisynco's domestic distribution network is massive, with over 350,000 sq. ft. of warehouse space, a fleet of 300 trucks (over 60 owned) and over 10,000 retail customers. The company experienced a warehouse fire in May 2016 that destroyed one of their major warehouses. This has had some lingering impact on profitability as it affected their inventory circulation and distribution, however, in September 2017, the Group unveiled a new warehouse that is 50% bigger than the old, costing **J$2.6B**. This warehouse was financed by insurance pay-outs from the fire.

We expect the addition of over **J$1B** in capital from the impending initial public offering as well as the company's dominance in its industry uniquely positions them to grow market share in the immediate term both organically and through acquisitions. We also believe the company has significant scope to expand internationally as currently 1.4% of revenue is generated from exports.

Wisynco is offering the general public approximately **149M**, (or **3.98**% of total **3.75B** shares outstanding), of ordinary shares. The Initial Public Offering (IPO) Price of **J$7.87** per share represents a **10.64X Price-to-Earnings (P/E)** multiple of our projections for FY 2018's Earnings and a **2.86X Price-to-Book (P/B)** multiple of projected FY 2018 Book Value.

We believe that based on our use of the P/B and P/E relative valuation methods, Wisynco is being listed at a discount. Our estimated fair value is **J$10.86**[1] based on the Group's projected performance in FY 2018**.** This is a **38.04%** implied upside from the listing price**.** Additionally, based on the Group's stated dividend policy of a **20%** pay-out ratio, the estimated dividends for FY 2018 is **J$0.15**. This translates to a potential dividend yield of **1.88%** on the issue price. Consequently, the estimated 1-Year Total return is **39.92%. We therefore rate Wisynco as a BUY.**

[1] See Valuation section for details

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Invitation Details

Wisynco is seeking to raise an additional **J$1.16B** in equity capital by issuing up to 149,414,576 new ordinary shares to prospective investors. An additional 635,085,424 ordinary shares are being sold by current shareholders to new potential investors worth **J$4.93B.** The company will be using the funds for various purposes outlined in the table below. If the listing is successful, the company has stated its intention to distribute an annual cash dividend of not less than 20% after-tax earnings.

Issuer	**Wisynco Group Limited**
Exchange	The Jamaica Stock Exchange's Main Market
Offer Period	Opening Date: December 6, 2017 at 9:00AM Closing Date: December 15, 2017 at 4:00PM Early Applications may be made. Such Applications will be received but not processed until the Opening Date. All early Applications will be treated as having been received at the same time, being 9:00 a.m. on the Opening Date. All other Applications will be received and processed on a first come, first served basis until the Closing Date.
Shares Offered	The Company is seeking to raise approximately **J$6.09B** by inviting Applications to subscribe for up to 784,500,000 Shares. Up to 314,700,000 of these shares will be reserved as follows; **150,000,000 (4.00%)** Reserved for Strategic Investors at J$7.87 **112,500,000 (3.00%)** Reserved for all Employees of the Company at J$7.08 **52,200,000 (1.39%)** Reserved for the Broker at J$7.87 The remaining **469,800,000 (12.53%)** shares will be offered to the general public.
Share Offering Description	Amount raised by the Company (149,414,576 Ordinary Shares)- **J$1,158,965,727.00** Proceeds to the Selling Shareholders (635,085,424 Ordinary Shares)- **J$4,926,174,273.00** Total Consideration before transaction expenses- **J$6,085,140,000.00**
Pricing	**J$7.87** per share (to raise a total of approximately J$6.09B). Payments MUST be made at the time of Application along with a J$163.10 processing fee.
Use of Proceeds	**The Company intends to use the net proceeds from newly issued shares in this Invitation to fund:to use the proceeds of the Invitaion for the following purposes:** Expansion of its manufacturing capacity to facilitate growth in all current markets (export and local) for existing and future products; Investment in more efficient moderninternal power generation and utilization; Potential strategic acquisitions- locally, regionally, and internationally; New distribution partnerships; Expansion of the Company's distribution fleet and infrastructure to support the build out of its 'Route to Market' system; The establishment of a western distribution centre; and Increased working capital to expand distribution arrangements through additional/ new third-party brands in key categories not currently served by the Company. The Selling Shareholders intend to use the sale proceeds for their own purposes.
Proposed Dividend Policy	If the Invitation is successful and the Shares are admitted to listing on the Main Market, the Board expects to distribute not less than 20% of its after-tax earnings to shareholders, subject to the need for reinvestment in the Company from time to time
Acceptable Payments Methods	Either: (1) Manager's Cheque payable to "NCB Capital Markets" (2) cleared funds held in a NCB Capital Markets account; or (3) Transfer or direct deposit NCB Capital Markets. Absolutely no cash payments will be accepted.
Returned Applications/Refunds	Available for collection from NCB Capital Markets at "The Atrium", 32 Trafalgar Road, Kingston 10, Jamaica within 10 working days of the Closing Date

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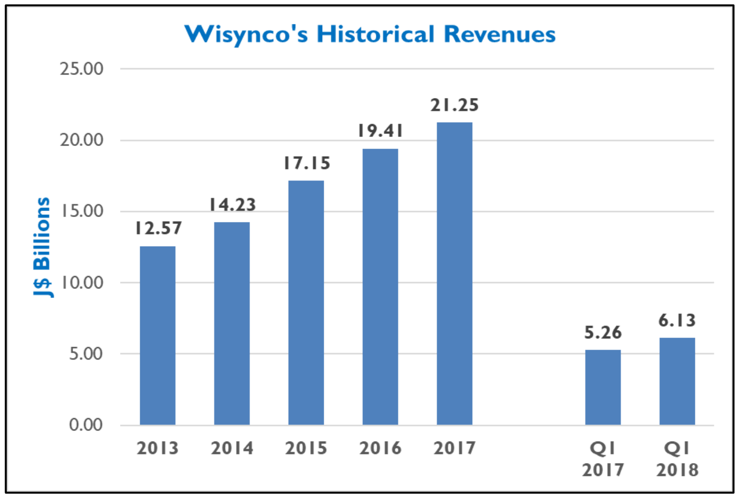
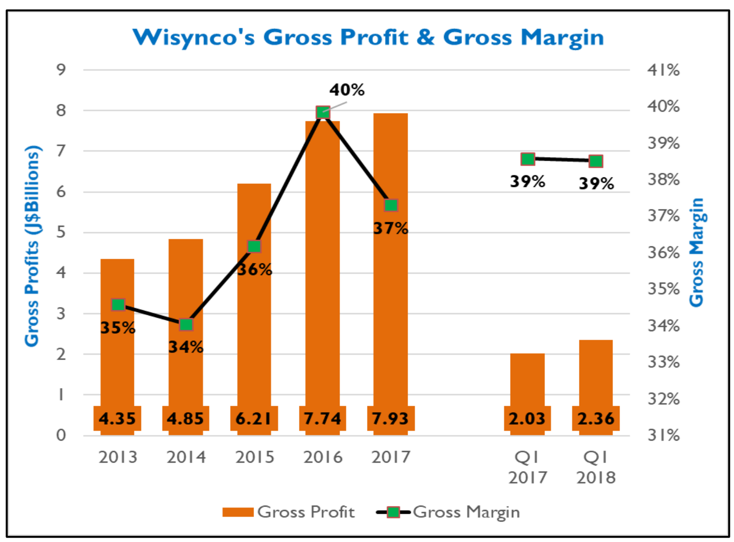
Financial Analysis[2]

Revenue & Profitability



Between FY 2013 and FY 2017, the Wisynco Group Ltd. experienced a sustained top-line growth at a compounded annual growth rate (CAGR) of **14%.** Revenues rose by **9.5%** or **J$1.8B** year-over-year (YoY) in FY 2017 to **J$21.25B**. Management has attributed this strong top-line growth to increased sales volumes for owned brands such as Boom and WATA, the distribution of third party brands manufactured by Trade Winds Citrus Company, and general price increases over the period. Sales growth in FY 2017 was slightly tempered by the warehouse fire that took place in the previous financial year affected the company's inventory management and distribution. Currently, the company's exports only account for **1.4%** of total revenues. This implies that there is substantial potential added value to be garnered from the company's intention to expand beyond Jamaica.



Between FY 2013 and FY 2017 the Company's Gross Profit rose by a CAGR of **16.20%**. Gross Profits rose marginally by **2.47%** or **J$190M** year-over-year (YoY) in FY 2016 to **J$7.93B**. A reduction in the Gross Margin by **2.54%** to **37.31% YoY** partially eroded the aforementioned top-line gains. Management has noted that the reduction in their gross margin in FY 2017 was largely due to inventory adjustment costs and damages associated with the warehouse fire in FY 2016. Notedly, the group's gross margin has remained over **30%** over the last 5 financial years. This is admirable, given the typical low margin nature of the industry that Wisynco operates in. High margins may be due to the company's robust and efficient value chain; from production to distribution. Of note, Wisynco suffered losses of **J$1.32B**

[2] An extract from the company's financial statements is included in the Appendix

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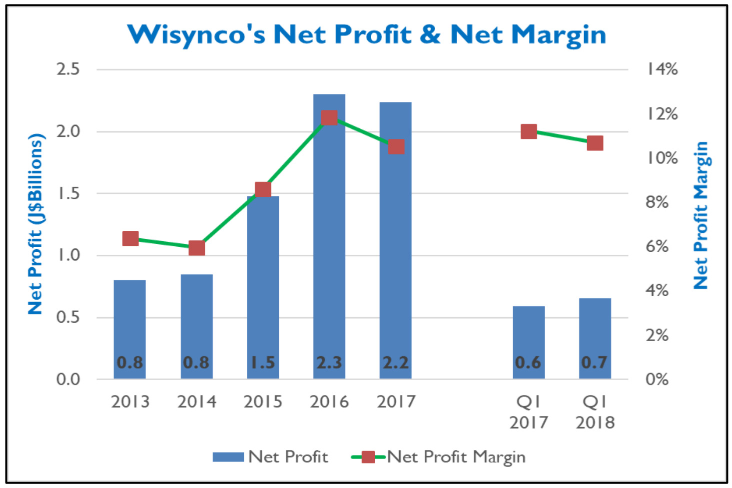
associated with their warehouse fire. However, the Group received over **J$2B** between FY 2016 and FY 2017 in insurance to cover losses for business interruption, solar panels and inventory.

The Group's sustained revenue growth has translated to growth in profitability between FY 2013 & FY 2017 with the only exception being in FY 2016 when Net Income fell due largely to a slowdown in sales growth because of their warehouse fire. Between FY 2013 and FY 2017 Net Income rose by a CAGR of **29%** from **J$801.66M** in FY 2013 to **J$2.24B** in FY2017.



The uptrend in revenue has continued into FY 2018, that began in July 2018. For the 1st quarter of FY 2018 ending September 2017, the company generated Revenues of **J$6.13B**, 16.4% or **J$865M** over the corresponding period in the last financial year. This period over period improvement, given a relatively unchanged gross profit reduction of 0.06%, translated through the group's income statement and improved Net Income by **11%** or **J$65M** to **J$656M** (**EPS: J$0.17**) from **J$591M** (**EPS: J$0.16**).

Dupont Analysis

DuPont Analysis						
Financial Year	**2013**	**2014**	**2015**	**2016**	**2017**	**Q1 2018**
Profit Margin	6.38%	5.97%	8.61%	11.84%	10.53%	10.71%
Asset Turnover Ratio	1.79	1.88	2.00	1.86	1.71	1.81
Financial Leverage Ratio	2.25	2.19	2.02	1.92	1.87	1.70
Return on Equity	**25.70%**	**24.53%**	**34.68%**	**42.42%**	**33.72%**	**32.90%**

Wisynco's Return on Average Equity (ROAE) has seen a slight level of volatility over the last 5 financial years. This is as their ROAE fell in FY 2014, due to a contracted profit margin and lower relative leverage. The Imajority of volatility experienced in ROAE was due largely to financial leverage. Financial leverage has been consistently decreasing since FY 2013. This is largely due to the growth in equity outpacing the growth in assets. The 5-year CAGR of assets and equity is **16.76%** and **23.05%,** respectively. Equity has grown quickly, increasing by 22%, 24%, 30% and 17% between FY 2014 and FY 2017, respectively. This is likely due to company maintaining a very high retention ratio over the years, outside of FY 2017 when the pay-out ratio topped out at 54%. Management has stated their intention to keep retention ratios at or about **80%** over the next few financial years.

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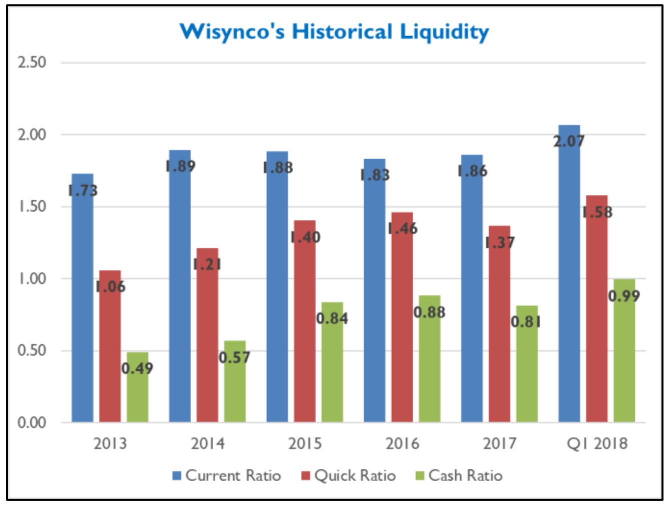
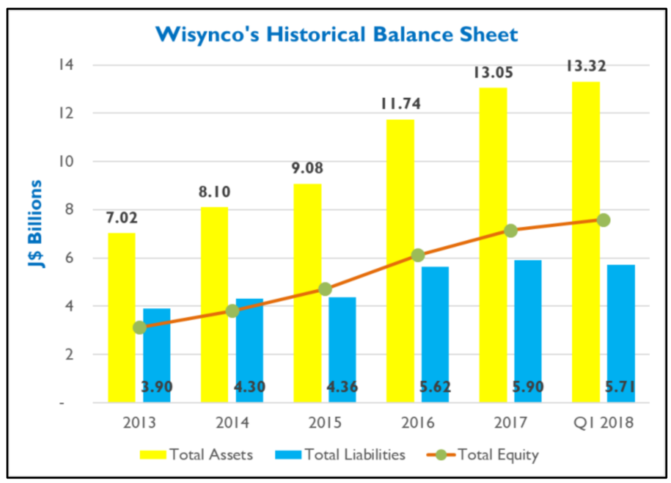
Liquidity and Solvency

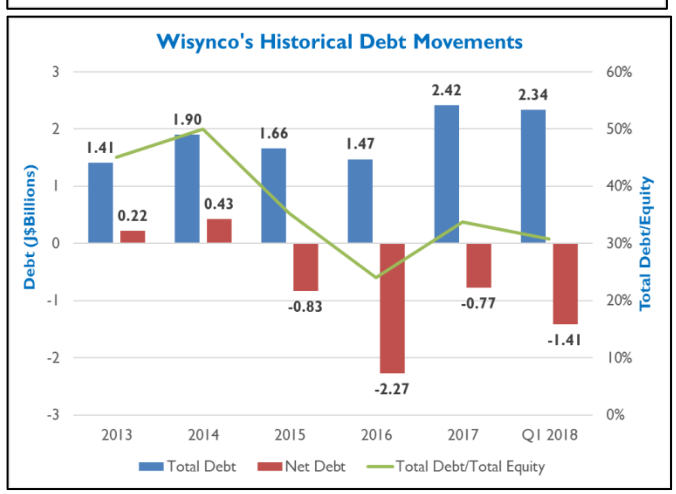
Between FY 2013 and FY 2017, Wisynco's liquidity as measured by its Current Ratio has been sound remaining above **1.5X** and has been in an uptrend over the period. This is well above the benchmark of 1X. Core liquidity, as measured by the cash ratio, has also trended up, closing Q1 2018 as at September 2017 at **0.99X.** This continuous improvement in liquidity has been due to the company's strong earnings growth over the years.



The company's asset base exhibited a CAGR of **16.76%** between FY 2013 and FY 2017. Total Assets has grown marginally by **2.01%** or **J$263M** to **J$13.32B** as at Q1 2018 relative to **J$13.05B** as at FY 2017 ending June 30th 2017. This increase in assets was largely due to the growth in the company's cash reserves due to their improved profitability. Total liabilities have fallen by **3.25%** or **J$192M** to **J$5.71B**, Year to Date (YTD), as at the end of Q1 2018 in September 2017. This reduction in liabilities was due primarily attributable to a **J$425M** reduction in trade payables over the period. Wisynco's Total Equity expanded by a CAGR of **23.05%** between FY 2013 and FY 2017. The company's total equity has seen a sustained improvement over the last five financial years. YTD, Total Equity has risen by **6.04%** or **J$432M** to **J$7.58B** (Book Value Per Share (BVPS): J$**2.02**) from **J$7.15** (BVPS: **J$1.91**) as at the end of FY 2017 in June 2017.



Total Debt has grown at a CAGR of **14.47%** over the last 5 financial years. However, the Group's debt level has remained at a manageable level, trending below a debt to equity ratio of **40%** over the last three financial years.



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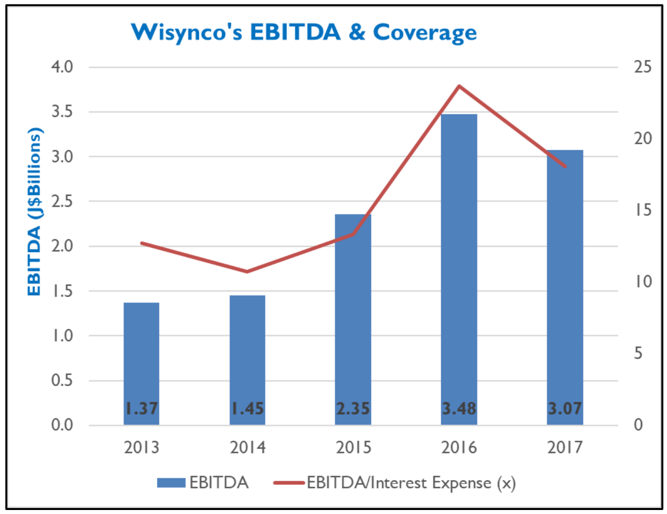
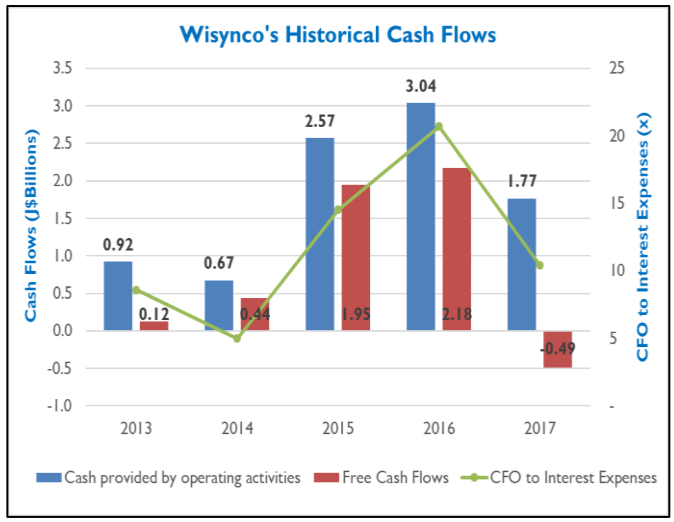
Wisynco has been able to cover its total debt position with just excess core liquidity for the last three financial years. This implies that the group's solvency risk is low. Considering the nature of Wisynco's business, we believe that the company has room to deploy their excess liquidity back into the business to aid in its expansion efforts.

This low solvency risk is further evidenced by the group's strong and improving EBITDA position as well as the ability of EBITDA to cover their annual debt obligations.

The group's Cash from Operations have improved by a CAGR of **17.59%** over the last five financial years. The growth was largely affected by a sharp 56% increase in YoY Net Income in FY 2016. Due to variable level of expenditure on Capital, the group's Free Cash Flow is volatile. This is not unusual for companies that are in or are entering their high growth phase such as Wisynco. Wisynco has also consistently maintained the ability to cover its annual debt obligations out of cash from operations. This bodes well for their future growth as there is further room for debt on their balance sheet.





Investment Positives and Negatives

Positives

- **Supportive Macro Environment –** The local and international macroeconomic environment have both improved steadily since the Global Financial Crisis. These improvements lend itself to greater non-discretionary spending on WISYNCO's products as well as a more conducive business environment in which to grow.
- **Robust Historical Revenue & Earnings Growth** – Between FY 2013-FY 2017, the company has exhibited a consistent growth in sales and earnings, having a compound annual growth (CAGR) rate of **14% and 29%,** respectively. This implies a consistent growth demand for the group's brands as well as sustained cost efficiencies.

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- **Economies of Scale and Scope** - We have observed a sustained growth in sales coupled with contracting average costs; this implies that the group benefits from mass producing and distributing its brands. Additionally, it is likely that WISYNCO also benefits from Economies of Scope, whereas the group benefits from producing a wide range of similar products for which they already have developed production and distribution lines for.
- **Significant Market Presence–** The company operates in a highly competitive market and therefore, the demand for its goods is likely to be elastic (sensitive) to changes in price levels and the availability of substitutes. However, the significant market presence of WISYNCO's brands such as Boom, WATA, Bigga and Coca-Cola implies that they are themselves, highly competitive.
- **The Stock is undervalued–** Our valuation of WISYNCO implies a fair value of **J$10.86** per share, relative to the offer price of **J$7.87** per share. This implies a potential **38.04%** upside to the stock. This, coupled with the excessive J$ liquidity that is present in the market and the market's appetite for IPO's, implies that we may very well see the stock's price rise sharply over the next few weeks.
- **Potential inorganic Growth from Acquisitions-** Wisynco has made its intentions clear that they intend to use capital injections to strategically target potential acquisitions. This bodes well for the Group, given that they currently own and operate a large portion of their own distribution and manufacturing operations.
- **Limited Penetration in Overseas Markets-** Currently, only 1.4% of the Group's Revenues are earned outside of the domestic economy. Thus, Wisynco has tremendous room for inorganic growth into other lucrative regional and global markets. Global opportunities largely exist in the European and North American Markets that have a large Jamaican diaspora.
- **Diversified brand portfolio-** Wisynco offers a suite of brands that range from low-end to relatively high-end products. This implies that there may be little correlation between the profitability of similar brands (brands such as Bigga and Coca-Cola). As such, a downturn in the sales of one product may not necessarily imply that another is losing profitability as well.

Negatives

- **Concentration Risk–** The Group's performance is likely to fluctuate with the performance of broader local/global economy given that 98.60% of their Revenues are generated locally. Though the company has maintained its consistent performance over the last five financial years, one must note that there hasn't been any major market shock over the said period. As such, it is likely that such conditions may affect their profitability.
- **Small Free Float –** Of the approximately **3.75B** shares of the group, only approximately **149M**, (3.98% of total shares offered) will be made available to the general public with a further **113M** shares (3.00% of total shares offered) being made available to company employees. This brings possible share float to approximately

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3.9B shares, or 6.98% of the total shares outstanding. The scarcity of shares could inhibit trading activity which could curtail potential upside over the medium to long-term.

Valuation

Key Valuation Assumptions

We are projecting full FY 2018 after-tax profits up to June 2018 of approximately **J$2.78B (J0.74** per share) which would represent a 24.18% YoY increase relative to FY 2017. This translates to an earnings per share (EPS) of approximately **J$0.74**. We believe the projected rise is reasonable in the context of favourable local macroeconomic environment, a continuation of historical revenue growth and the expected deployment of the new capital raised from the IPO.

Based on Q1 2018 book value of **J$7.58B**, the expected inflow of **J$1.16B**, FY 2018 earnings coupled with a forecasted retention ratio of 80% of FY 2018 earnings (the company has indicated an intended dividend policy of 20% of earnings) we have projected a FY 2018 yearend book value of **J$10.31B** (**J$2.75** per share).

Relative Valuation Models

Though Wisynco has presented a history of dividend payments, the pay-out ratio has been increasing over the last five years. This implies the lack of a defined dividend policy. As such, the historical dividend paying pattern of the Group may not be mirrored going forward and consequently a Dividend Discount Model (DDM) may not be appropriate. Additionally, amidst the lack of predictability in the group's future cash flows and large variable capital expenditures, we decided against using a Discounted Cash Flow (DCF) model here as well. Consequently, we chose to use relative measures to value the company.

Price-to-Earnings (P/E) Ratio Valuation Method

WISYNCO's RELATIVE MULTIPLES		
NAME	Price/ Earning (x)	Price/Book (x)
Listing	12.90	3.37
Salada	13.97	1.16
Seprod	30.07	1.64
Main Market Average	20.70	1.80
Average	**19.41**	**1.99**

Using Wisynco's issue price of **J$7.87** and their 12-month trailing Earnings per Share (EPS) of **J$0.61** up to September 2017, the company's listing P/E ratio was calculated at **12.90X**. We are projecting Earnings per share of **J$0.74** (Net Income of **J$2.78B**) FY 2018, respectively. We believe that a reasonable P/E multiple for Wisynco given recent and expected growth in profitability, current market conditions and comparables is **14.5X**. When the projected multiple is applied to estimated FY 2018 earnings the P/E Method implies a fair value of **J$10.73**, which is 36.34% above the Group's listing price.

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Price-to-Book (P/B) Ratio Valuation Method

Using Wisynco's listing price of **J$7.87** and their listing book value of **J$2.33** as at September 2017, the company's listing P/B ratio was calculated at **3.37X**. We believe that given the Group's high relative ROE of **32.90%,** current market conditions and expected growth the company's stock should be trading closer to a P/B of **4X**. When the projected multiple is applied to the estimated FY 2018 yearend book value the P/B Method implies a fair value of **J$11.00,** which is **39.74**% above the Group's listing price.

Fair Value

The average of both methods produces an estimated fair value of J$10.86 which implies a 38.04% upside from the intended IPO price which implies that stock is a **BUY** at the IPO Price..

P/E Valuation	J$10.73
P/B Valuation	J$11.00
Fair Value	**J$10.86**

Risks to Valuation

- Risks to our recommendation lies in the company's high exposure to the domestic economy. Approximately **98.60**% of the group's revenues are made locally. Thus, any major shock to domestic economy may affect the bottom line of the Group.
- The company may make a large acquisition that may impact our projections going forward.
- A general downturn in the broad local equity market; which could negatively impact market multiples.

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Appendix

Shareholdings Post-IPO:

Shareholders for Wisynco Group Ltd.						
Name of Shareholder	**Issued Shares before Sub-dividion of Authorized Share Capital**	**Issued Shares after Sub-dividion of Authorized Share Capital**	**Percentage Ownership**	**Ordinary Shares to be issued During IPO Process**	**Issued Share Capital**	**Percentage Ownership**
Wisynco Group Caribbean Ltd.	1,000,000	3,382,000,000	93.93%	-	3,382,000,000	90.19%
Caribbeasn Bottlers T&T Ltd.	41,689	140,992,198	3.92%	-	140,992,198	3.76%
Devon Reynolds	10,540	35,646,280	0.99%	-	35,646,280	0.95%
Francois & Michele Chalifour	10,540	35,646,280	0.99%	-	35,646,280	0.95%
George Shammas	1,863	6,300,666	0.17%	-	6,300,666	0.17%
Ordinary Shares to be issued during IPO Process	-	-	-	149,414,576	149,414,576	3.98%
TOTAL	**1,064,632***	**3,600,585,424**	**100.00%**	**149,414,576**	**3,750,000,000**	**100.00%**

Shareholdings Post-IPO:

Upon closure of the Invitation, assuming all categories of Shares in the Invitation are fully subscribed/purchased by the public and the Reserved Share Applicants, the respective shareholders and their respective percentage shareholdings in the Company will be as follows:

Shareholders for Wisynco Group Ltd.		
Name of Shareholder	**Issued Share Capital**	**Percentage Ownership**
Wisynco Group Caribbean Ltd.	2,887,906,774	77.01%
Caribbeasn Bottlers T&T Ltd.	-	0.00%
Devon Reynolds	35,646,280	0.95%
Francois & Michele Chalifour	35,646,280	0.95%
George Shammas	6,300,666	0.17%
Employees	112,500,000	3.00%
Strategic Investors	150,000,000	4.00%
Broker	52,200,000	1.39%
General Public	469,800,000	12.53%
TOTAL	**3,750,000,000**	**100.00%**

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INCOME STATEMENT EXTRACT							
J$ ('000)	Shares:	3,750,000,000					
						Q1 2017	Q1 2018
June Year End	2013	2014	2015	2016	2017	Sep-16	Sep-17
Revenue	**12,573,537**	**14,229,683**	**17,150,482**	**19,413,691**	**21,247,767**	**5,260,880**	**6,125,810**
Cost of sales	(8,225,039)	(9,384,206)	(10,945,181)	(11,676,741)	(13,319,888)	**(3,231,298)**	**(3,766,127)**
Gross Profit	**4,348,498**	**4,845,477**	**6,205,301**	**7,736,950**	**7,927,879**	**2,029,582**	**2,359,683**
Impairment of inventory and property, plant and equipment	-	-	-	(1,317,390)	-		
Other operating income	96,515	62,609	57,408	1,530,045	736,796		
Selling and distribution expenses	(2,772,173)	(3,152,132)	(3,489,090)	(4,151,836)	(5,244,802)		
Administration expenses	(553,542)	(651,369)	(807,662)	(774,564)	(885,903)	**(1,314,984)**	**(1,566,342)**
Operating Profit	**1,119,298**	**1,104,585**	**1,965,957**	**3,023,205**	**2,533,970**	**714,598**	**793,341**
Finance income	86,207	32,936	68,334	124,347	159,965		
Finance costs	(107,517)	(135,105)	(176,717)	(146,768)	(169,746)		
Profit before Taxation	**1,097,988**	**1,002,416**	**1,857,574**	**3,000,784**	**2,524,189**	**714,598**	**793,341**
Taxation	(296,328)	(153,518)	(380,551)	(702,083)	(286,312)	(123,784)	(137,540)
Net Profit	**801,660**	**848,898**	**1,477,023**	**2,298,701**	**2,237,877**	**590,814**	**655,801**
EPS	0.21	0.23	0.39	0.61	0.60	0.16	0.17

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BALANCE SHEET EXTRACT							
J$ ('000)						Q1 2017	Q1 2018
June Year End	2013	2014	2015	2016	2017	Sep-16	Sep-17
Non-Current Assets							
Property, plant and equipment	2,614,102	2,579,066	2,866,621	3,147,581	4,874,521		4,892,883
Investments in subsidiaries	157,934	157,934	157,934	164,434	164,434		593,932
Investments in associates	-	429,498	429,498	429,498	429,498		
Intangible assets	25,606	11,639	-	-	-		
Available-for-sale investments	14,630	13,217	23,266	229,426	293,452		38,401
Loans to related parties	18,633	-	-	-	-		
	2,830,905	**3,191,354**	**3,477,319**	**3,970,939**	**5,761,905**	**4,068,151**	**5,525,216**
Current Assets							
Inventories	1,624,285	1,765,222	1,427,837	1,577,331	1,940,382		1,850,898
Loans to related parties	1,509	-	-	-	-		
Receivables and prepayments	1,377,828	1,672,403	1,683,770	2,454,993	1,978,610		2,193,918
Available-for-sale investments -current portion	-	-	-	-	184,386		
Cash and short-term deposits	1,188,193	1,473,120	2,489,778	3,740,479	3,187,431		3,745,420
	4,191,815	**4,910,745**	**5,601,385**	**7,772,803**	**7,290,809**	**7,017,320**	**7,790,236**
Current Liabilities							
Trade and other payables	1,979,734	1,898,473	2,153,505	3,363,517	3,093,489		2,668,166
Short-term borrowings	333,165	479,609	512,103	341,012	382,469		383,954
Taxation payable	113,645	215,007	307,897	532,623	178,814		451,941
Due to parent company	-	-	-	-	259,745		262,505
	2,426,544	**2,593,089**	**2,973,505**	**4,237,152**	**3,914,517**	**2,612,821**	**3,766,566**
Net Current Assets	1,765,271	2,317,656	2,627,880	3,535,651	3,376,292	4,404,499	4,023,670
Shareholders' Equity							
Share capital	57,927	57,927	57,927	57,927	57,927		57,927
Capital reserve	108,946	107,533	112,323	121,441	117,097		97,738
Retained earnings	2,952,616	3,635,827	4,546,353	5,942,963	6,976,619		7,428,210
	3,119,489	**3,801,287**	**4,716,603**	**6,122,331**	**7,151,643**	**6,808,829**	**7,583,875**
Non-Current Liabilities							
Due to parent company	259,745	259,745	259,745	259,745	-		
Deferred tax liabilities	403,052	285,409	240,103	252,465	213,565		252,460
Borrowings	813,890	1,162,569	888,748	872,049	1,772,989		1,690,166
	1,476,687	**1,707,723**	**1,388,596**	**1,384,259**	**1,986,554**	**1,663,821**	**1,942,626**
TOTAL ASSETS	**7,022,720**	**8,102,099**	**9,078,704**	**11,743,742**	**13,052,714**	**11,085,471**	**13,315,452**
TOTAL LIABILITIES	**3,903,231**	**4,300,812**	**4,362,101**	**5,621,411**	**5,901,071**	**4,276,642**	**5,709,192**
TOTAL DEBT	**1,406,800**	**1,901,923**	**1,660,596**	**1,472,806**	**2,415,203**	**-**	**2,336,625**
NET DEBT	**218,607**	**428,803**	**(829,182)**	**(2,267,673)**	**(772,228)**	**-**	**(1,408,795)**
EBITDA	**1,366,211**	**1,447,332**	**2,353,708**	**3,475,094**	**3,070,777**	**714,598**	**793,341**

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CASHFLOW STATEMENT EXTRACT					
J$M ('000)					
June Year End	2013	2014	2015	2016	2017
Net profit from operations	801,660	848,898	1,477,023	2,298,701	2,237,877
Items not affecting cash:					
Depreciation	230,619	328,780	376,112	451,889	536,807
Amortisation of intangible assets	16,294	13,967	11,639	-	-
Gain on fire claim	-	-	-	(1,434,896)	(636,472)
Adjustment	-	2	(39)	-	-
Gain on sale of property, plant and equipment	(178)	(150)	2,391	6,232	(1,524)
Impairment of inventory and property, plant and equipment in fire	-	-	-	1,317,390	-
Interest income	(30,260)	(30,263)	(38,811)	(53,966)	(71,736)
Gain on disposal of investments	-	-	-	-	(10,805)
Dividend income	(541)	(697)	(1,728)	(1,734)	(3,101)
Interest expense	105,974	133,053	172,604	142,399	158,678
Taxation expense	296,328	153,518	380,551	702,083	286,312
Exchange gain on foreign currency balances	6,891	(7,185)	(36,950)	(140,301)	(25,819)
	1,426,787	**1,439,923**	**2,342,792**	**3,287,797**	**2,470,217**
Changes in operating assets and liabilities:					
Inventories	(328,799)	(140,937)	337,385	(1,288,380)	(363,051)
Receivables and prepayments	(169,008)	(265,721)	(68)	(269,013)	480,375
Trade and other payables	249,120	(189,892)	220,202	1,116,228	(298,176)
Cash generated from operations	1,178,100	843,373	2,900,311	2,846,632	2,289,365
Insurance proceeds	-	-	-	655,350	156,623
Taxation paid	(254,025)	(169,799)	(332,967)	(464,995)	(679,021)
Cash provided by operating activities	**924,075**	**673,574**	**2,567,344**	**3,036,987**	**1,766,967**
Cash Flows from Investing Activities					
Purchase of property, plant and equipment	(801,019)	(235,798)	(620,634)	(859,862)	(2,258,648)
Proceeds from the sale of property, plant and equipment	303	150	-	1,500	25,199
Insurance proceeds	-	-	-	296,010	479,849
Purchase of investments	-	-	(5,259)	(197,042)	(260,295)
Proceeds from sale of investments	-	-	-	-	18,344
Investment in associates	-	(429,498)	-	-	-
Investment in subsidiary	(3,981)	-	-	(6,500)	-
Dividend received	541	697	1,728	1,734	3,101
Interest received	30,260	30,263	38,811	53,966	71,736
Cash used in investing activities	**(773,896)**	**(634,186)**	**(585,354)**	**(710,194)**	**(1,920,714)**
Cash Flows from Financing Activities					
Interest paid	(95,680)	(130,685)	(174,501)	(157,473)	(158,678)
Related party loan payment received	16,981	20,142	-	-	-
Long-term loans repaid	(241,790)	(257,393)	(405,753)	(1,246,631)	(928,278)
Long-term loans received	360,000	689,000	200,000	1,000,000	1,900,000
Finance leases repaid	-	(13,193)	(26,739)	(41,107)	(49,041)
Dividend paid	(202,205)	(165,687)	(566,497)	(902,091)	(1,204,221)
Cash used in financing activities	**(162,694)**	**142,184**	**(973,490)**	**(1,347,302)**	**(440,218)**
(Decrease)/Increase in cash and cash equivalents	(12,515)	181,572	1,008,500	979,491	(593,965)
Effects of changes in foreign exchange rates	107,865	86,962	60,481	215,411	49,975
Increase in cash and cash equivalents	**95,350**	**268,534**	**1,068,981**	**1,194,902**	**(543,990)**
Cash and cash equivalents at beginning of year	1,031,668	1,127,018	1,395,552	2,464,533	3,659,435
Cash and Cash Equivalents at End of Year	1,127,018	1,395,552	2,464,533	3,659,435	3,115,445
FREE CASH FLOWS	123,056	437,776	1,946,710	2,177,125	(491,681)
FREE CASH FLOWS TO EQUITY	241,266	869,383	1,740,957	1,930,494	480,041
DEBT SERVICE COVERAGE RATIO	8.59	4.99	14.53	20.69	10.41
CFO/CAP EX	1.15	2.86	4.14	3.53	0.78

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KEY FINANCIAL STATISTICS							
						Q1 2017	Q1 2018
Ratios	2012	2013	2014	2015	2016	Sep-16	Sep-17
Liquidity Ratios							
Current Ratio	1.73	1.89	1.88	1.83	1.86	2.69	2.07
Quick Ratio	1.06	1.21	1.40	1.46	1.37	2.69	1.58
Cash Ratio	0.49	0.57	0.84	0.88	0.81	-	0.99
Profitability Ratios							
Return on Equity	25.70%	24.53%	34.68%	42.42%	33.72%		32.00%
Return on Assets	11.42%	11.23%	17.19%	22.08%	18.05%		18.88%
Gross Margin	34.58%	34.05%	36.18%	39.85%	37.31%	38.58%	38.52%
Operating Margin	8.90%	7.76%	11.46%	15.57%	11.93%	13.58%	12.95%
Pre-tax Profit Margin	8.73%	7.04%	10.83%	15.46%	11.88%	13.58%	12.95%
Profit Margin	6.38%	5.97%	8.61%	11.84%	10.53%	11.23%	10.71%
Efficiency Ratios							
Inventory Turnover (x)	5.06	5.54	6.86	7.77	7.57	-	
Days Inventory on Hand (days)	72.08	65.92	53.24	46.97	48.20		
Recievables Turnover (x)	9.13	9.33	10.22	9.38	9.58		
Payables Turnover (x)	4.15	4.84	5.40	4.23	4.13		
Days Payables Oustanding	87.85	75.42	67.56	86.23	88.47		
Days Credit Sales Outstanding	40.00	39.12	35.71	38.91	38.08		
Credit Ratios							
Leverage Ratio (x)	2.25	2.19	2.02	1.92	1.87	1.63	1.70
Total Debt/EBITDA (x)	1.03	1.31	0.71	0.42	0.79	-	2.95
EBITDA/Interest Expense (x)	12.71	10.71	13.32	23.68	18.09		
Total Debt/Total Equity (x)	45.10%	50.03%	35.21%	24.06%	33.77%		30.81%
Total Debt/Total Assets (x)	20.03%	23.47%	18.29%	12.54%	18.50%		17.55%

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Board of Directors

William Mahfood
Chairman

William Mahfood was appointed Chairman of the Board in 2014. He holds a BSc. In Industrial Engineering & Management Information System from North Eastern University. He started his career with Wisynco Trading limited as Warehouse Supervisor back in 1988. He then moved to Wisynco Group Limited where he served as Co-Director, Managing Director and Director for Wisynco Group and Walisa Marketing Limited for 11 years simultaneously. William has served on over 10 Boards during his career. This includes serving as President of the Private Sector Organization of Jamaica (PSOJ) and Trade Wind Citrus Limited.

Andrew Mahfood
Chief Executive Officer

Andrew Mahfood is currently the Chief Executive Officer of Wisynco Group Limited. He is a Chartered Accountant and member of the Chartered Professional Accountant (CPA) Association in Ontario, Canada. He obtained a BSc. in Finance, Economics and Computer Science from Boston College. Andrew worked at Price Waterhouse North York, Ontario Canada for 3 years before moving to Wisynco Trading Limited as a Financial Controller in 1991. He then went on to become Group Finance Director for 6 years before becoming CEO.

Andrew serves on the following boards: Wisynco Group Limited, Wisynco Foods Limited, Food for the Poor Jamaica, Trade Winds Citrus Limited, United Estates Limited and Seville Development Corp.

John Lee

John Lee is Chairman of 138 Student Living, having conceptualized and implemented the idea in 2013 of 'on campus' student housing. Up to retirement in 2013, John was a Director/Partner in PricewaterhouseCoopers (PwC) Tax and Advisory Services Limited, with 35 years of accounting and business experience obtained through corporate and project finance, insolvency and business turnaround, litigation support and auditing assignments. He has assisted companies in the public and private sectors in their structuring of corporate and project financing and led the PwC team in advising clients on access to the local and international capital markets for corporate and project finance. John holds a M.Sc. in Finance and is a retired member of the Chartered Association of Certified Accountants. John is also a member of the Company's Audit & Risk and Compensation & Governance Committees.

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Lisa Soares Lewis

Lisa, a Jamaican national, is the Founder/CEO of Great People Solutions that she created following her Human Resources Director roles in DIAGEO Jamaica (Red Stripe) and North Latin America and the Caribbean (NorthLAC). Her career has spanned 20+ years across a range of local and global businesses in banking, telecoms, and FMCG industries including DIAGEO, Cable & Wireless, Scotiabank and KPMG. Her roles covered general management consulting, end-to-end human resource (HR) management, corporate and commercial banking and corporate governance. Lisa is a visionary and a leader in her field. She is commercially driven and possesses a deep understanding of talent and of unlocking people's potential to deliver competitively advantaged business results.

Adam Stewart

Adam is the dynamic Deputy Chairman and Chief Executive Officer of Sandals Resorts International, one of the world's leading resort companies, and The ATL Group, Jamaica's longest standing automotive and appliance distributors with recently expanded region-wide operations. Adam also serves as the President of the Sandals Foundation, a 501 (c) (3) nonprofit organization aimed at fulfilling the promise of the Caribbean community by improving lives and preserving the natural surroundings, through investments in sustainable regional projects in education, community and the environment. A decade under Adam's stewardship, Sandals continues to follow a trajectory of exhilarating growth, encompassing new resorts in new island destinations coupled with the introduction of industry-changing innovation and developments.

In August 2009, Adam was appointed CEO and Deputy Chairman of the family owned ATL Group comprising the *Jamaica Observer* and *ATL Appliance Traders*, a chain of domestic and commercial appliance outlets combining exclusive distributorship of some of the world's top electronic brands and "unbeatable" customer service throughout Jamaica. In May 2017, Starbucks Coffee Company announced it has entered a licensing agreement with Caribbean Coffee Traders Limited, a joint venture between Stewart and Ian Dear, Chief Executive Officer of the Jamaica-based Margaritaville Caribbean Group. Adam is also also a member of the Company's Audit & Risk and Compensation & Governance Committees.

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François P. Chalifour

Director of Marketing & Product Development

Currently the Director of Marketing & Development of Wisynco Group Limited, Chalifour has a degree in Administrative and Commercial Studies from the University of Western Ontario and a degree in Accounting from University of Laval, Canada. He is a member of the Chartered Professional Accountant (CPA) Association of Quebec. Francois began his career in Montreal Canada for 5 years in the early 1990s as an Auditor for Richter, Usher & Vineberg, and a Financial Controller at Bariatrix International. He moved to Jamaica to start-up The Jamaica Drink Company Ltd where he served as Managing Director for 8 years. As Jamaica Drink was amalgamated into The Wisynco Group Limited, Francois continued his role overseeing manufacturing of the Company's beverage brands. In 2012, he took on the role of Director of Marketing and Development for the entire Group. François Andrew serves on the following boards: Recycle Partners of Jamaica, Wisynco Group Limited, Wisynco Foods Limited, CGM Gallagher, United Estates Limited and Trade Winds Citrus Limited.

Devon H. Reynolds

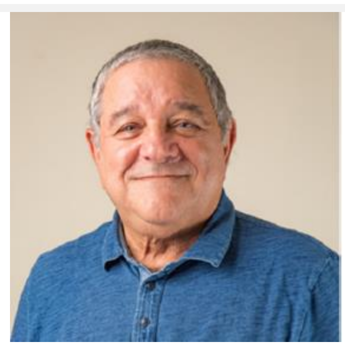
Director of Manufacturing

Devon Hugh Reynolds has a diploma in Electrical and Electronic engineering from the College of Arts, Science & Technology and was trained or received certification in Supervisory Management, Injection Moulding, Production management, industrial Relations, Flexible packaging and Advance Executive Management development. At Wisynco Group Limited Reynolds served as Maintenance Manager, Assistant Plant Manager, Plant Manager, General Manager, Managing Director and now Director of Manufacturing for the past 20 yrs.

Prior to working at Wisynco Group, Reynolds started his work experience as a Maintenance Engineer at Thermo-Plastics, Jamaica limited, where he became a supervisor. He went on to the Plastic Corporation of Jamaica as a Production Factory Foreman and was promoted to Plant manager. He returned to Thermo-Plastics as a Production manager.

Joseph M. Mahfood

Director Emeritus



Joseph Mahfood, Wisynco Group Director Emeritus, was educated at McGill University in Montreal, Canada. Prior to becoming Store Manager of Mahfood's 1965 Ltd, Joseph started his work experience as a travelling salesman for Mahfood's Commercial Ltd. After which he started working at Wisynco where he was Plant Manager, General Manager and Group Managing Director. Joseph serves on the following boards: Wisynco Group Limited and Seville Development Corp.

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