JAMAICA BROILERS GROUP LIMITED

INTERIM REPORT

25 JANUARY 2025 | 9 MONTHS | QUARTER THREE



Jamaica Broilers Group Head Office & Research Farm, Saint Catherine, Jamaica

Q3

THIRD QUARTER REPORT

2024/2025 FISCAL YEAR | NINE MONTHS | UNAUDITED RESULTS

INTERIM REPORT TO OUR SHAREHOLDERS

The Directors of Jamaica Broilers Group Limited now release the unaudited financial results for the quarter ended January 25, 2025, which have been prepared in accordance with International Financial Reporting Standards (IFRS). The Group produced a net loss attributable to shareholders of $1.1 billion, for the quarter ended January 25, 2025, compared to a net profit of $1.3 billion achieved in the corresponding quarter last year.

Group revenues for the quarter amounted to $24.6 billion, a 5% increase above the $23.6 billion achieved in the corresponding quarter of the previous year. Our gross profit for the quarter was $4.7 billion, a 21% decrease from the corresponding quarter last year.

Jamaica Operations reported a segment result of $5.4 billion which was $564 million or 9% below last year's segment result. The reduction was mainly driven by the impact of the passage of Hurricane Beryl. Total revenue for our Jamaica Operations showed an increase of 0.5% from the prior year nine-month period.

Our US Operations reported a segment result of $922 million which was $2.1 billion or 69% below last year's segment result. Total revenue for the US Operations increased by 5% over the prior year nine-month period.

During the quarter, corporate management identified a number of issues relating to expense management and operational controls in our US Operations. This, combined with hurricane/flooding challenges in our US broiler operations in the quarter lead to the lower US segment result noted above. Corporate management has engaged external advisors in the US to review operational controls and any implications to the financial performance of the US Operations.

The Staff, Management and the Board of Directors of Jamaica Broilers Group Limited continue to trust in the Lord's guidance for our company and are grateful for His Blessings and Provision.

Robert Levy
Chairman

Christopher Levy
Group President & CEO

GROUP STATEMENT OF COMPREHENSIVE INCOME

NINE MONTHS ENDED 25 JANUARY 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Quarter ended 25 January 2025 $'000	Quarter ended 27 January 2024 $'000	Nine months ended 25 January 2025 $'000	Nine months ended 27 January 2024 $'000
Continuing operations				
Revenue	24,649,679	23,575,906	71,652,906	70,346,795
Cost of sales	(19,975,672)	(17,695,749)	(55,779,779)	(52,987,242)
Gross Profit	4,674,007	5,880,157	15,873,127	17,359,553
Other income	175,870	127,717	328,012	387,390
Distribution costs	(1,189,796)	(826,502)	(2,685,875)	(2,337,741)
Administration and other expenses	(4,011,717)	(2,925,306)	(9,812,441)	(8,688,246)
Operating (Loss)/Profit	(351,636)	2,256,066	3,702,823	6,720,956
Finance income	(28,054)	3,276	41,546	59,227
Finance costs	(677,173)	(651,311)	(2,072,370)	(2,016,470)
(Loss)/Profit before Taxation	(1,056,863)	1,608,031	1,671,999	4,763,713
Taxation	(92,320)	(311,999)	(611,344)	(937,701)
Net (Loss)/ Profit	(1,149,183)	1,296,032	1,060,655	3,826,012
Other Comprehensive Income, net of taxes -				
Item that will be reclassified to profit or loss -				
Exchange differences on translating foreign continuing operations	(151,097)	167,693	125,221	350,526
Total other comprehensive income	(151,097)	167,693	125,221	350,526
Total Comprehensive Income	(1,300,280)	1,463,725	1,185,876	4,176,538
Net Profit Attributable to:				
Stockholders of the company	(1,149,183)	1,296,032	1,060,655	3,826,012
Total Comprehensive Income Attributable to:				
Stockholders of the company	(1,300,280)	1,463,725	1,185,876	4,176,538
	$	$	$	$
Earnings per Stock Unit	(1.15)	1.29	1.06	3.82

GROUP BALANCE SHEET

25 JANUARY 2025

(expressed in Jamaican dollars unless otherwise indicated)

	25 January 2025 $'000 Unaudited	27 April 2024 $'000 Audited	27 January 2024 $'000 Unaudited
Non-Current Assets			
Property, plant and equipment	22,916,635	21,958,221	21,941,313
Right of use assets	890,404	901,064	855,545
Intangible assets	3,144,032	2,843,947	2,897,977
Investment property	5,190	5,315	5,357
Investments	342,395	345,569	354,614
Deferred income taxes	155,932	155,185	140,692
Post-employment benefit assets	973,357	973,357	1,163,300
	28,427,945	27,182,658	27,358,798
Current Assets			
Inventories	25,666,480	23,926,072	20,349,236
Biological assets	27,099,386	25,941,234	22,270,322
Receivables	8,056,259	6,276,025	6,746,843
Taxation recoverable	40,165	25,558	50,396
Financial assets at fair value through profit or loss	185,017	174,861	174,675
Cash and short-term investments	1,739,208	2,795,457	2,847,312
	62,786,515	59,139,207	52,438,784
Current Liabilities			
Payables	15,880,765	17,458,421	10,824,998
Taxation payable	2,345,814	2,193,966	1,659,445
Borrowings	25,138,844	19,610,157	19,712,496
Lease liabilities	437,598	488,221	437,056
	43,803,021	39,750,765	32,633,995
Net Current Assets	18,983,494	19,388,442	19,804,789
	47,411,439	46,571,100	47,163,587
Stockholders' Equity			
Share capital	765,137	765,137	765,137
Reserves	3,333,187	3,207,966	3,125,555
Retained earnings	31,279,848	30,729,788	29,095,401
Shares held by Trust	(3,912,968)	(3,902,591)	(3,902,591)
	31,465,204	30,800,300	29,083,502
Non-Current Liabilities			
Borrowings	14,032,781	13,872,767	16,002,072
Lease liabilities	433,945	394,838	386,381
Deferred income taxes	1,468,965	1,492,651	1,681,932
Post-employment benefit obligations	10,544	10,544	9,700
	47,411,439	46,571,100	47,163,587

Robert Levy
Chairman

Christopher Levy
Group President & CEO

GROUP STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

NINE MONTHS ENDED 25 JANUARY 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Attributable to the Company's Stockholders					
	Number of Shares	Share Capital	Reserves	Retained Earnings	Shares held by Trust	Total Equity
	'000	$'000	$'000	$'000	$'000	$'000
Balance at 29 April 2023	1,001,466	765,137	2,775,029	25,710,033	(3,902,591)	25,347,608
Exchange differences on translating foreign operations	-	-	350,526	-	-	350,526
Total other comprehensive income	-	-	350,526	-	-	350,526
Net profit	-	-	-	3,826,012	-	3,826,012
Total comprehensive income	-	-	350,526	3,826,012	-	4,176,538
Dividends	-	-	-	(440,644)	-	(440,644)
Transactions with owners	-	-	-	(440,644)	-	(440,644)
Movement during the period		-	350,526	3,385,368	-	3,735,894
Balance at 27 January 2024	1,001,466	765,137	3,125,555	29,095,401	(3,902,591)	29,083,502
Balance at 27 April 2024	1,001,466	765,137	3,207,966	30,729,788	(3,902,591)	30,800,300
Exchange differences on translating foreign operations	-	-	125,221	-	-	125,221
Total other comprehensive income	-	-	125,221	-	-	125,221
Net profit	-	-	-	1,060,655	-	1,060,655
Total comprehensive income	-	-	125,221	1,060,655	-	1,185,876
Dividends	-	-	-	(510,595)	-	(510,595)
Purchase of shares by Trust	(297)	-	-	-	(10,377)	(10,377)
Transactions with owners	(297)	-	-	(510,595)	(10,377)	(520,972)
Movement during the period	(297)	-	125,221	550,060	(10,377)	664,904
Balance at 25 January 2025	1,001,169	765,137	3,333,187	31,279,848	(3,912,968)	31,465,204

	Nine months ended 25 January 2025 $'000	Nine months ended 27 January 2024 $'000
Cash Flows from Operating Activities		
Net profit	1,060,655	3,826,012
Adjustments for:		
Depreciation	1,638,831	1,529,118
Amortisation	199,729	146,416
Deferred expenditure	-	15,700
Fair value gains on financial assets at fair value through profit or loss	(8,175)	(11,499)
Taxation expense	611,344	937,701
Interest income	(32,427)	(28,591)
Unrealised foreign exchange losses	55,488	(7,765)
Interest expense	2,069,002	1,954,464
	5,594,447	8,361,556
Changes in operating assets and liabilities:		
Inventories	(1,651,179)	(1,291,942)
Biological assets	(1,016,997)	(745,080)
Receivables	(1,671,150)	(820,294)
Payables	(1,751,022)	(3,465,155)
Financial assets at fair value through profit or loss	(2,077)	(1,057)
	(497,978)	2,034,028
Taxation paid	(512,646)	(474,470)
Cash (used in)/provided by operating activities carried forward	(1,010,624)	1,563,558

	Nine months ended 25 January 2025 $'000	Nine months ended 27 January 2024 $'000
Cash Flows (used in)/provided by Operating Activities	(1,010,624)	1,563,558
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(2,327,568)	(1,547,251)
Purchase of intangible assets	(492,639)	(363,208)
Proceeds from sale of investments	10,928	10,829
Purchase of investments	(2,579)	(2,307)
Interest received	30,061	26,212
Cash used in investing activities	(2,781,797)	(1,875,725)
Cash Flows from Financing Activities		
Long term loans repaid	(4,892,905)	(4,859,685)
Long term loans received	9,918,613	5,899,634
Lease repayments	(198,653)	(231,280)
Shares purchased by Trust	(10,377)	-
Interest paid	(1,917,640)	(1,929,241)
Dividends paid	(510,595)	(440,644)
Cash provided by/(used in) financing activities	2,336,543	(1,561,216)
Effect of changes in exchange rates on cash and cash equivalents	(4,280)	72,132
Decrease in cash and cash equivalents	(1,460,158)	(1,801,251)
Cash and cash equivalents at beginning of year	2,794,431	4,632,591
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,334,273	2,831,340
Cash and Cash Equivalents at end of period consists of:		
Cash and short-term investments	1,739,208	2,847,312
Bank overdraft	(404,935)	(15,972)
	1,334,273	2,831,340

	9 Months to 25 January 2025				
	Jamaica Operations	US Operations	Other Caribbean Operations	Eliminations	Group
	$'000	$'000	$'000	$'000	$'000
External revenues	44,681,143	26,971,763	-	-	71,652,906
Revenue from other segments	230,850	4,250,895	914,507	(5,396,252)	-
Total revenue	44,911,993	31,222,658	914,507	(5,396,252)	71,652,906
Segment result	5,384,578	922,367	1,876,341	(1,460,922)	6,722,364
Unallocated corporate expenses					(3,019,541)
Operating profit					3,702,823
Finance income					41,546
Finance costs					(2,072,370)
Profit before tax					1,671,999
Taxation					(611,344)
Net profit					1,060,655
Segment assets -					
Current assets	22,776,647	44,509,409	1,476,825	(5,976,365)	62,786,516
Non-current assets	29,340,793	13,344,409	8,840,825	(23,098,082)	28,427,945
Total assets	52,117,440	57,853,818	10,317,650	(29,074,447)	91,214,461
Segment liabilities -					
Current liabilities	19,562,413	28,808,794	925,792	(5,493,979)	43,803,020
Non-current liabilities	11,682,633	6,261,083	4,968,244	(6,965,725)	15,946,235
Total liabilities	31,245,046	35,069,877	5,894,036	(12,459,704)	59,749,255

	9 Months to 27 January 2024				
	Jamaica Operations	US Operations	Other Caribbean Operations	Eliminations	Group
	$'000	$'000	$'000	$'000	$'000
External revenues	44,578,265	25,768,530	-	-	70,346,795
Revenue from other segments	118,876	3,882,790	812,857	(4,814,523)	-
Total revenue	44,697,141	29,651,320	812,857	(4,814,523)	70,346,795
Segment result	5,947,313	2,984,648	(432,419)	779,215	9,278,757
Unallocated corporate expenses					(2,557,801)
Operating profit					6,720,956
Finance income					59,227
Finance costs					(2,016,470)
Profit before tax					4,763,713
Taxation					(937,701)
Net profit					3,826,012
Segment assets -					
Current assets	21,432,849	34,423,088	1,458,017	(4,875,170)	52,438,784
Non-current assets	26,398,648	13,891,408	7,912,229	(20,843,487)	27,358,798
Total assets	47,831,497	48,314,496	9,370,246	(25,718,657)	79,797,582
Segment liabilities -					
Current liabilities	15,760,160	20,622,120	1,037,427	(4,785,712)	32,633,995
Non-current liabilities	12,504,374	7,677,394	5,245,025	(7,346,708)	18,080,085
Total liabilities	28,264,534	28,299,514	6,282,452	(12,132,420)	50,714,080

Accounting Periods

The company's financial year consists of 12 accounting periods ending on the Saturday closest to the calendar month end. The accounting year ends on the Saturday closest to April 30.

Basis of Preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention, as modified by the revaluation of biological assets and certain financial assets.

These financial statements are presented in Jamaican dollars unless otherwise indicated.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 27 April 2024.

Segmental Financial Information

Management has determined the operating segments based on the reports reviewed by the President and Chief Executive Officer that are used to make strategic decisions.

Segment information is provided for reportable segments as follows:

- Jamaica Operations
- US Operations
- Other Caribbean Operations

The business is considered primarily from a geographical perspective.

Finance income and Finance costs are not included in the measure of segment results and are not regularly reviewed by the President and Chief Executive Officer.

The Other Caribbean Operations segment includes the net results of the JBGL Stockholders Nominee Limited (JBGLSNL), which represents the unrealised fair value of the Jamaica Broilers Group Limited shares. The results of JBGLSNL are not included in the consolidated financial statements as the movements are eliminated on consolidation.