

# FUTURE ENERGY SOURCE COMPANY LIMITED



## FIRST QUARTER (Q1) REPORT

For the Financial Year  
April 1, 2024 to March 31, 2025

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# 1. Report to Ordinary Shareholders

## Directors' Statement

The Board of Directors of Future Energy Source Company Limited ("FESCO" or the "Company") takes pleasure in presenting the Company's unaudited first (1<sup>st</sup>) quarter financial statements as at June 30, 2024 for the financial year April 1, 2024 to March 31, 2025.

## Executive Summary

We are pleased to report that the Company has achieved its best quarter to date as it relates to gross profit (J\$412.3 million, up 38.71% or J\$115.1 million), operating profit (EBIT) (J\$185.8 million, up 16.28 % from J\$159.8 million), and earnings before interest, taxes, depreciation and amortization (EBITDA) (J\$250.2 million up 26.56% or J\$52.5 million). Net profit for the quarter was also strong totalling \$148.4 million up 28.19% or J\$32.6 million. For the quarter, the Company was able to achieve its main targets which were to:

1. Increase brand awareness for FESGAS™ as well as maintain and enhance its market share (measured in litres of LPG) for both domestic and commercial usage;
2. Increase its company-operated service station footprint (FESCO Hayes) and increase overall fuel sales measured in litres;
3. Increase profitability, specifically as it relates to operating profit (EBIT), operating cash flow (EBITDA) and net profit;
4. Acquire additional service station and LPG assets to enhance its retail and commercial distribution going forward; and
5. Establish additional filling plants to further enhance its LPG distribution.

The Company's quarterly performance reflects an increase in fuel sales in litres. The network of FESCO branded service stations remains twenty one (21) island-wide; an addition of a DOCO service station, FESCO Hayes, and a separation from the network of a DODO service station in Whithorn, Westmoreland.

## Financial Highlights:

For the quarter ended June 30, 2024, FESCO recorded Turnover/Revenues of J\$7,780.0 million which reflects an 18.56% or J\$1,217.8 million year over year increase. Several factors affect revenue/turnover with the supply price of fuel being a major component.

For the quarter, fuel prices increased slightly for gasoline (87 Octane: J\$6.08 and 90 Octane J\$9.12)<sup>1</sup> and remained relatively flat for both ADO and ULSD (ADO +J\$1.06 and USLD -J\$0.91). FESCO has no control over the supply price of fuel and, instead, focuses more on quantity of fuel sold and gross profit.

Accordingly, FESCO's year over year growth in Turnover reflects significant increase in litres of fuel sold (all fuels including LPG). Please refer to price tables below:

Petrojam Fuel Prices (Kingston)							
	Start of Q1	End of Q1	Q1 June 2024 Average Price	Start of Q1	End of Q1	Q1 June 2023 Average Price	Average Price Change Vs Previous Year
	3 Jun 30, 2024		J\$	April 1, 2023	June 30, 2023	J\$	change J\$
87	172.39	174.16	173.28	167.82	166.58	167.20	6.08
90	178.50	182.15	180.32	172.30	170.11	171.20	9.12
ADO	179.55	176.16	177.86	191.87	161.72	176.80	1.06
ULSD	185.55	184.67	185.11	202.72	169.32	186.02	(0.91)

<sup>1</sup> Petrojam index prices are adjusted weekly; the above table reflects prices at the start and at the end of the period only.

**Restated\***

	Unaudited	Unaudited	Audited		
	1st Quarter 3months  ended  30-Jun-24	1st Quarter 3months  ended  30-Jun-23	Full Year 12 months  ended  31-Mar-24	Growth % Quarter ended June 2024 vs Quarter ended June 2023 %	Difference +/- Quarter ended June 2024 vs Quarter ended June 2023 \$
<b>Turnover</b>	7,779,959,516	6,562,174,927	28,680,616,572	18.56%	1,217,784,589
Cost of sales	(7,367,683,102)	(6,264,957,226)	(27,293,611,121)	17.60%	(1,102,725,876)
<b>Gross profit</b>	412,276,414	297,217,701	1,387,005,451	38.71%	115,058,713
<b>Other Income</b>	-	960,986	3,843,944	-100.00%	(960,986)
Operating and administrative expenses & other	(226,468,288)	(136,567,863)	(791,173,235)	65.83%	(89,900,425)
Impairment losses on financial assets	-	(1,821,002)	(4,970,061)	-100.00%	1,821,002
<b>Operating profit</b>	185,808,125	159,789,822	594,706,099	16.28%	26,018,303
Finance (expense)/income, net	(37,436,745)	(44,048,553)	(155,449,047)	-15.01%	6,611,809
<b>Profit before taxation</b>	148,371,381	115,741,269	439,257,052	28.19%	32,630,112
Taxation	-	-	(28,440,112)		-
<b>Net profit for the period</b>	148,371,381	115,741,269	410,816,940	28.19%	32,630,112
Surplus on Revaluation of Land and Buildings	-	-	545,173,455	0.00%	-
<b>Total Comprehensive Income</b>	148,371,381	115,741,269	955,990,395	28.19%	32,630,112
<b>EBIT</b>	185,808,125	159,789,822	594,706,099	16.28%	26,018,303
Depreciation	(56,761,825)	(37,047,064)	(173,554,274)	53.22%	(19,714,761)
Amortisation of Right of use asset	(7,590,502)	(823,813)	(10,451,536)	821.39%	(6,766,689)
<b>EBITDA</b>	250,160,453	197,660,699	778,711,909	26.56%	52,499,754
Shareholders' Equity	2,406,219,089	1,418,479,343	2,257,847,707	69.63%	987,739,746
Non Current Assets	3,845,650,287	2,935,548,753	3,813,022,592	31.00%	910,101,534
Current Assets	1,441,600,009	1,353,447,522	1,502,098,290	6.51%	88,152,487
Current Liabilities	1,157,431,800	1,112,401,421	1,347,725,659	4.05%	45,030,379
Net Current Assets	284,168,208	241,046,101	154,372,631	17.89%	43,122,107
Current Ratio	1.25	1.22	1.11		
Debt (Long Term)	1,477,113,820	1,704,369,119	1,541,369,589	-13.33%	(227,255,299)
Operating Expenses as a % of GP	54.93%	45.95%	57.04%		
Operating Expenses (excl. Depreciation) as a % of GP	41.16%	33.48%	44.53%		
Debt/Equity (Static)	0.61	1.20	0.68		

**\*Q1 ended June 30, 2023 is restated to reconcile same with the audited financials as at the year ended March 31, 2024, which include an adjustment in Sales and/or COGS of approximately 0.3% or approximately one day's sales, reflecting reconciliation of Sales and COGs postings throughout the year and an impairment adjustment of \$1.8 Million.**

The Company recorded gross profit of J\$412.3 million for the quarter which reflects growth of 38.71% or J\$115.1 million year over year. The improvement in gross profit reflects both increasing throughput (measured in litres of fuel sold) and diversification of product offerings (fuel types including LPG) and services (increased retail presence).



Operating Expenses of J\$226.5 million, for the quarter, is up J\$89.9 million versus last year or 65.83%. This expansion of expenses directly reflects the expanded:

1. Operating locations including the additions of: FESCO Kitson Town, FESCO Hayes, FESGAS Bernard Lodge and FESGAS Naggo Head;
2. Asset base which includes increased operating LPG and service station assets;
3. Operational scope (which now includes increased retailing and manufacturing);
4. Early stage new business costs including but not limited to:
  - a. business acquisition;
  - b. property acquisition and development costs; and
  - c. business integration costs.

For the quarter, staff costs of J\$75.0 million, up J\$25.7 million from J\$49.3 million last year, reflects the expansion of our staff complement and is consistent and reflective of our expanded operations (company-operated locations and range of operations). These costs are relatively efficient as they are only 33.1% of overall expenditure (2024: 33.1% vs 2023: 36.1%) and only 18.2% of gross profit (2024: 18.2% vs 2023: 16.6%).

Security expense totalling J\$10.3 million versus \$6.6 million last year reflects additional operating locations and increased security rates. Motor vehicle expenses of J\$11.1 million versus J\$1.5 million last year reflects a fleet size growth to facilitate, in the main, haulage and distribution of LPG.

Depreciation expense of J\$56.8 million reflects Plant Property and Equipment (PPE) expansion of both LPG and service station assets. The Company's LPG operation is capital intensive as it relates to its fixed asset requirements to establish and fulfil the business' services and operation. Accordingly, depreciation and interest expense will in the forming period outweigh its medium and long term "weight" relative to gross profit exemplified by depreciation for the quarter totalling J\$56.8 million versus J\$37.0 million last year.

It is important to note that operating expenses relative to gross profit is trending downwards. For the quarter, operating expenses were 54.9% of gross profits compared to 57.0% of the entire Audited financial year ended March 2024, and Operating expenses excluding depreciation was 41.2% of gross profits compared to 44.5% for the entire Audited year ended March 2024.

In summary, staff costs, bank charges, advertising, and asset based expenses including but not limited to depreciation, insurance, and security continue to be FESCO's main expense items. FESCO's operations continue to be efficient, represented by our total operating expenses being approximately 54.9% of gross profit. Notably, for this stage of LPG business development, the Company's total operating expenses excluding depreciation is just 41.2% of gross profits. The Company's expense profile is changing and will reflect its expanded and evolving range of operations. The Company's expenditure and revenue targets are in line with its internal forecast and mix of established and early stage business expenses.

	Unaudited 3 Months 1st Quarter Ended June 2024			Audited 12Months 1st Quarter Ended June 2023			Audited 12Months  Year ended March 31, 2024				
Gross Profits (GP)	412,276,414			297,217,701					1,387,005,451		
Expenses	1st Quarter Ended June 2024	% of Total Exp	% of GP	1st Quarter Ended June 2023	% of Total Exp	% of GP	YoY Growth Var +/- (\$)	YoY Growth Var +/- (%)	Year Ended March 2024	% of Total Exp	% of GP
Accounting fees	-	0.0%	0.0%	640,000	0.5%	0.2%	(640,000)	-100.0%	2,140,000	0.3%	0.2%
Advertising and Promotion	4,746,523	2.1%	1.2%	6,343,211	4.6%	2.1%	(1,596,688)	-25.2%	46,701,799	5.9%	3.4%
Audit fees	2,062,500	0.9%	0.5%	1,850,000	1.4%	0.6%	212,500	11.5%	8,250,000	1.0%	0.6%
Bank Charges	7,388,922	3.3%	1.8%	6,075,134	4.4%	2.0%	1,313,788	21.6%	26,944,751	3.4%	1.9%
Depreciation	56,761,825	25.1%	13.8%	37,047,064	27.1%	12.5%	19,714,761	53.2%	173,554,274	21.9%	12.5%
Amortisation of Right of use asset	7,590,502	3.4%	1.8%	823,813	0.6%	0.3%	6,766,689	821.4%	10,451,536	1.3%	0.8%
Director fees	1,692,500	0.7%	0.4%	2,200,000	1.6%	0.7%	(507,500)	-23.1%	12,860,000	1.6%	0.9%
Donation	1,526,760	0.7%	0.4%	319,680	0.2%	0.1%	1,207,080	377.6%	5,329,332	0.7%	0.4%
Office Expenses	3,166,324	1.4%	0.8%	1,811,405	1.3%	0.6%	1,354,919	74.8%	50,397,912	6.4%	3.6%
Legal & Professional fees	7,003,705	3.1%	1.7%	4,863,674	3.6%	1.6%	2,140,031	44.0%	34,667,474	4.4%	2.5%
Motor Vehicle Expenses	11,046,565	4.9%	2.7%	1,524,654	1.1%	0.5%	9,521,911	624.5%	30,295,616	3.8%	2.2%
Insurance	5,934,498	2.6%	1.4%	2,696,249	2.0%	0.9%	3,238,249	120.1%	19,026,704	2.4%	1.4%
Repairs and Maintenance	1,609,172	0.7%	0.4%	3,023,390	2.2%	1.0%	(1,414,218)	-46.8%	8,458,893	1.1%	0.6%
Security	10,334,499	4.6%	2.5%	6,605,487	4.8%	2.2%	3,729,012	56.5%	40,446,909	5.1%	2.9%
Staff Costs	74,939,152	33.1%	18.2%	49,288,852	36.1%	16.6%	25,650,300	52.0%	281,745,270	35.6%	20.3%
Utilities	6,536,087	2.9%	1.6%	4,433,472	3.2%	1.5%	2,102,615	47.4%	24,282,403	3.1%	1.8%
Other Expenses	24,128,754	10.7%	5.9%	7,021,777	5.1%	2.4%	17,106,977	243.6%	15,620,362	2.0%	1.1%
Subtotal	226,468,288	100.0%	54.9%	136,567,862	100.0%	45.9%	89,900,426	65.8%	791,173,235	100.0%	57.0%
Total Expenses Excluding Depreciation	169,706,463		41.2%	99,520,798		33.5%	70,185,665	70.5%	617,618,961		44.5%

For the quarter, FESCO recorded operating profit or EBIT of J\$185.8 million, which reflects 16.28% or J\$26.0 million year over year increase. Earnings before interest, taxes, depreciation and amortisation EBITDA was J\$250.2 million up J\$52.5 million or 26.56% from J\$197.7 million earned in the previous year Q1 ended June 2023.

For the quarter, FESCO incurred finance costs (net) of J\$37.4 million, which reflects interest costs related to its debt/bonds etc., net of interest income and foreign exchange gains.

For the quarter ended June 2024 profit after taxes of J\$148.4 million reflects an increase of 28.19% or J\$32.6 million, year over year.

Book Value or Shareholders' Equity as at June 2024, has increased to sum J\$2,406.2 million, up from J\$2,257.8 million as at March 31, 2024 which reflects increased profitability and profit retention.

The Company remains significantly, and sufficiently liquid represented by net current assets of J\$284.2 million (March 2024 J\$154.4 million) and cash and cash equivalent balances of J\$312.4 million (March 2024 J\$315.7 million). The Company's current ratio as at June 2024 is 1.25 versus 1.11 as at March 2024.

As at June 30, 2024, the Company's Debt to Equity (D/E) (*long term-static*) is 0.61 versus 0.68 from March 31, 2024. The improved ratios (current ratio and D/E) reflect long term debt repayment of both principal and interest, and increased shareholder's equity (both undistributed profits).

## A look ahead

FESCO continues to monitor economic factors such as moderating inflationary forces, indicative expectations that interest rates will reduce in the short to medium term, and the near full employment in many sectors of the economy. The Company is also watchful of hurricane Beryl recovery efforts in southern and western parishes and the resilient and expanding tourism sector, among other factors affecting consumer spending. The Company is navigating industry-related margin contractionary forces and consolidation within the industry.

The Company is selective in its allocation of investment capital but remains mindful of opportunities for growth and further investment. Internal or self-funding via profit generation, profit retention, at this time, has proven to be the most efficient and cost effective source of capital to fund growth.

The Company has commenced construction of its service station on Spanish Town Road, FESCO Oval. FESCO Oval will be a company-owned company-operated service station (COCO) for increase retail presence within the Kingston and St Andrew (KSA) region. Completion will take approximately fifteen (15) months and we anticipate opening in the month of September 2025.

The development will represent the Company's commitment to community and showcase the creativity and mindfulness of the Company's Jamaican project team, which we believe, generally, exemplifies our tagline and motto, "Proudly Jamaican".

Finally, the Company will continue to make investments in real assets and equipment to support expanding its service station businesses and network, its industrial client base, and LPG business.



## 2. Top 10 Shareholders

	Shareholder	Number of Shares	Shares
1	Trevor Barnes & Arva Barnes	351,712,348	14.0685%
2	Errol McGaw	349,531,982	13.9813%
3	Barita Investment Ltd - Long A/C	277,635,951	11.1054%
4	Trevor Heaven Holdings Ltd.	219,768,155	8.7907%
5	Tweedside Holdings	215,862,436	8.6345%
6	Junior Williams	134,738,750	5.3896%
7	Neville Allen	134,330,478	5.3732%
8	Jeremy Barnes	95,000,000	3.8000%
9	Anna Williams -Bacchus	75,211,154	3.0084%
10	Roy Davidson	64,345,206	2.5738%
		1,918,136,460	76.7255%

Issued Shares

2,500,000,000

### 3. Shareholdings of Directors and Senior Managers

#### Shareholdings of Directors, Officers & Connected Parties

DIRECTORS	Personal Shareholdings	Connected Parties' Shareholdings	Total	% of Issued Shares
Jeremy Barnes	95,000,000	284,475	95,284,475	3.8114%
Harry Campbell	1,239,510	-	1,239,510	0.0496%
Hugh Coore	23,517,713	258,987,017	282,504,730	11.3002%
Gloria DeClou	270,000	-	270,000	0.0108%
Lyden Heaven	8,548,956	262,867,650	271,416,606	10.8567%
Vernon James	4,000,000	-	4,000,000	0.1600%
Errol McGaw	349,531,982	42,960,522	392,492,504	15.6997%
Eaton Parkins	13,558,038	11,867	13,569,905	0.5428%
Belinda Williams	250,000	-	250,000	0.0100%
Junior Williams	134,738,750	42,920,522	177,659,272	7.1064%
SENIOR MANAGERS				% of Issued
Omar Morgan	-	-	-	0.0000%
Rowena Nelson	378,063		378,063	0.0151%
Kareem Gordon	13,428		13,428	0.0005%
Stefan Lynshue			-	0.0000%
Annette Lewis	8,299		8,299	0.0003%
Howard Cox	-		-	0.0000%
COMPANY SECRETARY				% of Issued
Kayola Muirhead	-	808,069	808,069	0.0323%

Issued Shares 2,500,000,000

Combined Directors' Holdings 630,654,949 25.226%

Combined Connected Party Holdings 478,230,487 19.129%

Combined Holdings 1,108,885,436 44.355%

## 4. Unaudited Financial Statements

### Future Energy Source Company Limited



### 1<sup>st</sup> Quarter Results

For the for the financial year  
April 1, 2024 to March 31, 2025

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# Statement of Financial Position

For the Quarter ended June 30, 2024

## FUTURE ENERGY SOURCE COMPANY LIMITED STATEMENT OF FINANCIAL POSITION FOR FIRST (1st) QUARTER JUNE 30, 2024

	Unaudited 12 Months Ended 30-Jun-24	Restated Unaudited 3 Months Ended 30-Jun-23	Audited 12 Months Ended 31-Mar-24
<b>ASSETS</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NON-CURRENT ASSETS:</b>			
Property, Plant and Equipment	3,547,162,690	2,886,943,790	3,564,428,602
Right - of - use Assets	204,636,384	48,604,963	135,598,332
Investment Security	23,005,050		23,005,050
Finance Lease	70,846,164	-	89,990,608
	<b>3,845,650,287</b>	<b>2,935,548,753</b>	<b>3,813,022,592</b>
<b>CURRENT ASSETS</b>			
Inventories	199,356,161	47,450,209	202,392,785
Prepayments & Receivables	709,447,222	898,882,819	968,976,242
Due from Related Parties	220,372,829	188,938,329	-
Taxation Recoverable	-	-	7,774,588
Current portion Finance lease	-	-	7,219,298
Cash and Cash Equivalents	312,423,797	218,176,165	315,735,377
	<b>1,441,600,009</b>	<b>1,353,447,522</b>	<b>1,502,098,290</b>
<b>TOTAL ASSETS</b>	<b>5,287,250,296</b>	<b>4,288,996,275</b>	<b>5,315,120,882</b>
<b>EQUITIES &amp; LIABILITIES</b>			
<b>SHAREHOLDER' EQUITY</b>			
Share Capital	228,327,973	228,327,973	228,327,973
Revaluation Reserve	545,173,455		545,173,455
Retained Earnings	1,632,717,661	1,190,151,370	1,484,346,279
<b>TOTAL EQUITY</b>	<b>2,406,219,089</b>	<b>1,418,479,343</b>	<b>2,257,847,707</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term Loan	1,477,113,820	1,704,369,119	1,541,369,589
Lease Liabilities	213,529,863	49,230,780	135,222,204
Deferred Tax Liabilities	32,955,723	4,515,611	32,955,723
	<b>1,723,599,406</b>	<b>1,758,115,510</b>	<b>1,709,547,516</b>
<b>CURRENT LIABILITIES</b>			
Payables and Accruals	827,908,656	838,285,790	998,268,653
Current portion of Long term loan	329,523,144	274,115,631	326,545,402
Current portion of finance lease	-	-	6,655,216
Bank Overdraft	-	-	16,256,388
	<b>1,157,431,800</b>	<b>1,112,401,421</b>	<b>1,347,725,659</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,287,250,296</b>	<b>4,288,996,275</b>	<b>5,315,120,882</b>

Approved for issue by the Board of Directors on August 23, 2024 and signed on its behalf by:

  
Trevor Heaven Director

  
Jeremy Barnes Director

## Statement of Comprehensive Income

For the Quarter ended June 30, 2024

### FUTURE ENERGY SOURCE COMPANY LIMITED STATEMENT OF COMPREHENSIVE INCOME FOR FIRST (1st) QUARTER JUNE 30, 2024

	Unaudited 1st Quarter 3months ended 30-Jun-24	<u>Restated</u> Unaudited 1st Quarter 3months ended 30-Jun-23	Audited Full Year 12 months ended 31-Mar-24 \$
<b>Turnover</b>	7,779,959,516	6,562,174,927	28,680,616,572
Cost of sales	(7,367,683,102)	(6,264,957,226)	(27,293,611,121)
<b>Gross profit</b>	412,276,414	297,217,701	1,387,005,451
<b>Other Income</b>	-	960,986	3,843,944
Operating and administrative expenses	(226,468,288)	(136,567,863)	(791,173,235)
Impairment losses on financial assets		(1,821,002)	(4,970,061)
<b>Operating profit</b>	185,808,125	159,789,822	594,706,099
Finance income (costs), net	(37,436,745)	(44,048,553)	(155,449,047)
<b>Profit before taxation</b>	148,371,381	115,741,269	439,257,052
Taxation			(28,440,112)
<b>Net profit</b>	148,371,381	115,741,269	410,816,940
<b>Surplus on Revaluation of Land and Buildings</b>	-	-	545,173,455
<b>Total comprehensive Income</b>	148,371,381	115,741,269	955,990,395
Earning per stock unit (EPS)	0.0593	0.0463	0.1643
Weighted Average # of stocks issued	2,500,000,000	2,500,000,000	2,500,000,000



## Statement of Changes in Equity

For the Quarter ended June 30, 2024

**FUTURE ENERGY SOURCE COMPANY LIMITED**

**STATEMENT OF EQUITY**

**FOR FIRST (1st) QUARTER JUNE 30, 2024**

	Number of stock units	Share Capital \$	Revaluation Reserve \$	Retained Earnings \$	Total \$
<b>Balance at 1 April 2022</b>	<b>2,500,000,000</b>	228,327,973		542,262,586	770,590,559
<b>Dividend</b>				(40,000,000)	(40,000,000)
Total Comprehensive Income		-		571,266,753	571,266,753
<b>Balance as at 31 March 2023</b>	<b>2,500,000,000</b>	<b>228,327,973</b>	<b>-</b>	<b>1,073,529,339</b>	<b>1,301,857,312</b>
Net Profit for the year				410,816,940	410,816,940
Surplus Arising from Revaluation of Land & Building			545,173,455		545,173,455
<b>Balance as at 31 March 2024</b>	<b>2,500,000,000</b>	<b>228,327,973</b>	<b>545,173,455</b>	<b>1,484,346,279</b>	<b>2,257,847,707</b>
Net Profit for the year	-	-		148,371,381	148,371,381
<b>Balance as at 31 March 2025</b>	<b>2,500,000,000</b>	<b>228,327,973</b>	<b>545,173,455</b>	<b>1,632,717,660</b>	<b>2,406,219,088</b>

# Statement of Cash Flows

For the Quarter ended June 30, 2024

**FUTURE ENENERGY SOURCE COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR FIRST (1st) QUARTER JUNE 30, 2024**

	<b>Unaudited 3 Months Ended 30-Jun-24 \$</b>	<b>Unaudited 12 Months Ended 31-Mar-24 \$</b>
<b>CASH RESOURCES WERE PROVIDED BY/(USED IN)</b>		
<b>Cash Flows from operating Activities</b>		
Profit before Taxation	148,371,381	439,257,052
Adjusting for:		
Depreciation	56,761,825	173,554,274
Amortisation on right of use assets	7,590,502	10,451,536
Impairment losses on financial assets	-	4,970,061
Property, plant and equipment transferred to inventories and right if use assets	-	89,176,034
Foreign Exchange (Gain)/Losses	(670,431.6)	(285,118)
Lease Interest Expense	5,434,675	8,042,435
(Gain)/ Loss on disposal of Property, Plant and Equip	4,548,917	2,569,200
Mortgage Interest Expense	11,587,197	
Interest Expense	31,877,548	178,125,979
Interest Income	(5,357,569)	(20,233,035)
	<u>260,144,045</u>	<u>885,628,418</u>
Changes in operating assets and liabilities:		
Increase in Inventories	3,036,624	(107,506,929)
Increase in Receivables	259,529,020	(312,951,576)
Decrease in Tax Recoverable	7,774,588	-
Increase in payables	(170,359,997)	487,886,840
Due from Related Parties	(220,372,829)	-
Taxation Payable		-
Current portion - Finance Lease	564,082	-
Restricted cash and cash equivalent	(2,338,892)	(38,222,525)
<b>Cash provided by operating activities</b>	<u>137,976,641</u>	<u>914,834,228</u>
Income Tax Paid	-	(953,200)
Interest received	5,357,569	19,497,980
Interest paid	(48,899,420)	(186,168,414)
<b>Net Cash used in operating activities</b>	<u>94,434,790</u>	<u>747,210,594</u>
<b>Cash from Investing Activities</b>		
Purchase of property, plant and Equipment	(39,495,913)	(550,967,315)
Proceed from disposal of Property, Plant & Equip	12,415,000	12,590,000
Purchase of investment in security	-	(23,005,050)
Finance lease Receivable (net)	19,144,444	(66,455,825)
<b>Cash (used) Investing Activities</b>	<u>(7,936,469)</u>	<u>(627,838,190)</u>
<b>Cash flows from Financing Activities</b>		
Dividend Paid	-	(60,563)
Long term loans, net	52,985,217	(142,046,526)
Lease principal payments	(4,976,111)	(4,172,448)
<b>Cash provided/(used) by financing activities</b>	<u>48,009,106</u>	<u>(146,279,537)</u>
Net increase in cash and cash equivalent during the perio	134,507,427	(26,907,133)
Effect of foreign exchange on cash and bank	670,432	285,118
Cash and cash equivalent at the beginning of the period	177,245,938	203,867,953
<b>Cash and cash equivalent at the end of the period</b>	<u><b>312,423,797</b></u>	<u><b>177,245,938</b></u>
<b>Represented by:</b>		
Cash and Cash Equivalents	317,445,278	193,502,326
Bank Overdraft	(5,021,481)	(16,256,388)
	<u><b>312,423,797</b></u>	<u><b>177,245,938</b></u>

**Note: Audited Cash Balance as at March 2024, as stated above, does not include DSR cash held. When included, cash balance as at March 2024 is J\$315,735,377.**

## Notes to the Financial Statements

### Expenses:

	Unaudited 3 Months Ended 30-Jun-24 \$	Unaudited 3 Months Ended 30-Jun-23 \$	YTD Audited 12 Months Ended 31-Mar-24 \$
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>			
Accounting fees	0	640,000	2,140,000
Advertising and Promotion	4,746,523	6,343,211	46,701,799
Audit fees	2,062,500	1,850,000	8,250,000
Bank Charges	7,388,922	6,075,134	26,944,751
Depreciation	56,761,825	37,047,064	173,554,274
Amortisation of Right of use asset	7,590,502	823,813	10,451,536
Director fees	1,692,500	2,200,000	12,860,000
Donation	1,526,760	319,680	5,329,332
Office Expenses	3,166,324	1,811,405	50,397,912
Legal & Professional fees	7,003,705	4,863,674	34,667,474
Motor Vehicle Expenses	11,046,565	1,524,654	30,295,616
Insurance	5,934,498	2,696,249	19,026,704
Repairs and Maintenance	1,609,172	3,023,390	8,458,893
Security	10,334,499	6,605,487	40,446,909
Staff Costs	74,939,152	49,288,852	281,745,270
Utilities	6,536,087	4,433,472	24,282,403
Other Expenses	24,128,754	7,021,777	15,620,362
	<u>226,468,288</u>	<u>136,567,862</u>	<u>791,173,235</u>