



**HONEY BUN (1982) LIMITED**  
Unaudited Financial Statements  
for the Nine Months Ended June 30, 2024



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**HONEY BUN (1982) LIMITED**  
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 For the Nine Months June 30, 2024

	YEAR TO DATE		% Change
	Jun-24	Jun-23	
Gross Operating Revenue	\$ 2,892,778,256	\$ 2,561,745,198	13%
Net Profit	\$ 240,986,543	\$ 201,946,685	19%
Earnings per share	\$ 0.51	\$ 0.43	19%
Total Assets	\$ 1,921,607,390	\$ 1,703,058,917	13%
Cash & Cash equivalent	\$ 387,681,400	\$ 446,439,958	-13%

## MANAGEMENT DISCUSSION AND ANALYSIS

Gross operating revenue for the quarter ending June 30, 2024, was \$956.5M, which is up 10.4% on the prior year comparative period. The company earned Year to date net profits of \$241.0M, which was 3.32% above the prior year's comparative period.

Year to date gross operating revenue for the nine-month period ending June 30, 2024, increased by 12.9% over the prior year, increasing from \$2,561.7M to \$2,892.7M. The company continues to focus on improvements to our distribution channels via delivery methods and efficiencies resulting in increases in revenue of the company. Inventory increased by 35.4% (\$59.6M), payables increased by 13.3% and trade receivables and prepayments increased by 78.1% year over year. Supply chain challenges continue to face the company resulting in increases in inventory and payables year over year. The increase in Receivables and Prepayments of 78.1% can be attributed mainly to advance deposits made relating to our project of a new production facility in Angels, St. Catherine.

The company continues to maintain a healthy bank balance with cash and cash equivalents closing at \$387.7M, which is a 13.2% decrease when compared with \$446.4M in the previous comparative period. This decrease is a result of recent business development of the Angel location in response to meeting the growing demands of our products both locally and overseas. Overall net current assets increased by 22.6% with a closing balance at period end of \$618.7M.

The company has embarked into a new market segment, with the purchase of the "Swirls" Brand as at June 1, 2024. Swirls is an eatery specializing in "on the go" meals.

The Honey Bun Foundation has undertaken to host a number of corporate governance workshops for Small and Medium Enterprises, as part of its mission to transform industries for the Jamaican economy.

We take this opportunity to thank our loyal customers, directors, employees, and other stakeholders for their continued support.

Michelle Chong  
 Chief Executive Officer





**HONEY BUN (1982) LIMITED**  
**Unaudited Financial Statements**  
**For the Nine Months June 30, 2024**

## STATEMENT OF COMPREHENSIVE INCOME

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Nine months ended June 30, 2024**

*(Expressed in Jamaican Dollars except otherwise stated)*

	Unaudited Three(3) months ended June 2024	Unaudited Three(3) months ended June 2023	Unaudited YTD Nine(9) months ended June 2024	Unaudited YTD Nine(9) months ended June 2023
<b>Gross operating revenue</b>	956,499,225	866,106,708	2,892,778,256	2,561,745,198
Cost of operating revenue	(519,583,512)	(479,186,010)	(1,551,231,813)	(1,441,836,585)
<b>Gross profit</b>	436,915,713	386,920,698	1,341,546,442	1,119,908,613
Other Gains/(losses) **	61,652	4,547,352	(4,638,516)	1,910,648
	436,977,365	391,468,050	1,336,907,926	1,121,819,261
	45.7%	44.7%	46.4%	43.7%
<b>Administrative, selling and distribution expenses</b>				
Administrative	196,007,009	158,519,782	576,483,143	481,617,786
Selling & distribution costs	158,522,562	140,469,833	457,187,828	376,399,583
	354,529,571	298,989,615	1,033,670,971	858,017,369
Movement on impairment lossess on financials	2,041,740	-	2,041,740	-
Operating profit before finance costs and taxation	84,489,535	92,478,435	305,278,696	263,801,892
Finance income- interest	4,752,247	4,801,424	13,123,031	12,142,909
Finance costs	(5,434,971)	(1,800,500)	(10,188,463)	(5,310,115)
	83,806,811	95,479,359	308,213,264	270,634,685
Increase/(Decrease) in value of investments classified as fair value through profit or loss	-	-	523,279	-
<b>Profit before taxation</b>	83,806,811	95,479,359	308,736,543	270,634,685
Taxation	(10,563,000)	(24,591,000)	(67,750,000)	(68,688,000)
<b>Net profit for the period</b>	73,243,811	70,888,359	240,986,543	201,946,685
<b>Total comprehensive income for the period</b>	73,243,811	70,888,359	240,986,543	201,946,685
Earnings Per Share	0.16	0.15	0.51	0.43



**HONEY BUN (1982) LIMITED**  
 Unaudited Financial Statements  
 For the Nine Months June 30, 2024

**STATEMENT OF FINANCIAL POSITION**

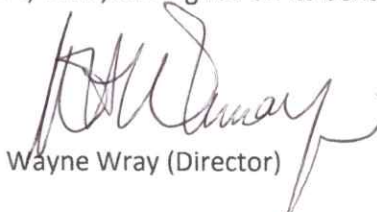
**HONEY BUN (1982) LIMITED**  
**Statement of Financial Position**  
**as at June 30, 2024**

*(Expressed in Jamaican Dollars except otherwise stated)*

	Unaudited June 2024	Unaudited June 2023	Audited September 2023
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	736,405,240	708,139,005	735,778,703
Right-of-Use Asset	51,088,479	59,990,695	51,671,506
Investments	128,571,308	113,521,061	118,896,545
Intangible assets	6,083,412	7,477,317	7,147,254
Total non-current assets	<u>922,148,440</u>	<u>889,128,078</u>	<u>913,494,009</u>
<b>CURRENT ASSETS</b>			
Inventories	261,968,529	168,335,721	202,314,925
Receivables & Prepayments	338,398,375	190,024,316	147,598,240
Taxation recoverable	11,410,646	9,130,843	10,087,665
Cash & cash equivalents	387,681,400	446,439,958	464,782,400
Total current assets	<u>999,458,950</u>	<u>813,930,838</u>	<u>824,783,230</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	268,134,259	236,688,021	278,980,361
Taxation Payable	53,601,410	48,923,447	16,972,625
Current Portion of Long Term Loans	2,811,929	2,811,929	3,147,491
Current Portion of Lease Liability	22,035,629	20,991,938	13,804,039
	<u>346,583,228</u>	<u>309,415,336</u>	<u>312,904,516</u>
Net current assets	<u>652,875,722</u>	<u>504,515,503</u>	<u>511,878,714</u>
Total assets less current liabilities	<u>1,575,024,162</u>	<u>1,393,643,581</u>	<u>1,425,372,723</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term loans	-	10,188,307	28,863,775
Lease liability	35,271,416	41,038,489	22,340,033
Deferred tax Liabilities	58,167,545	56,561,843	58,167,545
Total non-current liabilities	<u>93,438,961</u>	<u>107,788,638</u>	<u>109,371,353</u>
<b>EQUITY</b>			
Share capital	46,514,770	46,514,770	46,514,770
Capital reserves	53,818,788	53,818,788	53,818,788
Retained earnings	1,381,251,643	1,185,521,384	1,215,667,812
Total equity	<u>1,481,585,201</u>	<u>1,285,854,943</u>	<u>1,316,001,370</u>
Total non-current liabilities and equity	<u>1,575,024,162</u>	<u>1,393,643,581</u>	<u>1,425,372,723</u>

Approved for issue by the Board of Directors on August 14, 2024, and signed on its behalf by:

  
 Herbert Chong (Chairman)

  
 Wayne Wray (Director)



**HONEY BUN (1982) LIMITED**  
 Unaudited Financial Statements  
 For the Nine Months June 30, 2024

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

**HONEY BUN (1982) LIMITED**  
**Statement of Changes in Equity**  
**For the Nine months ended June 30, 2024**  
*(Expressed in Jamaican Dollars except otherwise stated)*

	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Totals \$
Balances as at September 30, 2022	46,514,770	53,818,788	1,058,979,291	1,159,312,850
Total comprehensive income for the period	-	-	201,946,685	201,946,685
Adjustment				
Dividends	-	-	(75,404,593)	(75,404,593)
Balances as at June 30, 2023	<u>46,514,770</u>	<u>53,818,788</u>	<u>1,185,521,384</u>	<u>1,285,854,943</u>
Balances as at September 30, 2023	46,514,770	53,818,788	1,215,667,812	1,316,001,370
Total comprehensive income for the period	-	-	240,986,543	240,986,543
Dividends	-	-	(75,402,712)	(75,402,712)
Balances as at June 30, 2024	<u>46,514,770</u>	<u>53,818,788</u>	<u>1,381,251,643</u>	<u>1,481,585,201</u>



**HONEY BUN (1982) LIMITED**  
 Unaudited Financial Statements  
 For the Nine Months June 30, 2024

**STATEMENT OF CASHFLOWS**

**HONEY BUN (1982) LIMITED**

**Statement of Cashflows**

**For the period ended June 30, 2024**

*(Expressed in Jamaican Dollars except otherwise stated)*

	Nine months ended June 2024	Nine months ended June 2023
<b>CASH FROM OPERATING ACTIVITIES</b>		
<b>Net Profit</b>	240,986,543	201,946,684
<b>Adjustments for items not affecting cash:</b>		
Depreciation	87,783,788	73,198,943
Right of Use Depreciation	19,874,449	12,692,659
Amortization	1,063,842	990,189
Loss/(gain) on disposal of property, plant and equipment	-	-
Revaluation of Quoted Securities	(523,279)	-
Retained earnings adjustment	-	-
Interest income	(13,123,031)	(12,142,909)
Interest expense	3,280,441	630,949
Taxation expense	67,750,000	68,688,000
	<b>407,092,753</b>	<b>346,004,516</b>
<b>Changes in non-cash working capital components:</b>		
Inventories	(59,653,604)	11,010,347
Trade and other receivables	(190,800,135)	(23,672,681)
Trade and other payables	(10,846,102)	11,314,058
<b>Tax paid</b>	(32,444,196)	(36,004,398)
<b>Net cash (used in)/provided by operating activities:</b>	<u>113,348,716</u>	<u>308,651,842</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment		
Additions to property, plant and equipment	(88,410,325)	(115,629,373)
Additions to Right of Use assets	(19,291,422)	(16,589,381)
Additions to intangible assets	-	(981,981)
Investments, net	(9,151,484)	(15,591,422)
Interest received	13,123,031	12,142,909
<b>Net cash used in investing activities</b>	<u>(103,730,200)</u>	<u>(136,649,248)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term loans	(29,199,337)	(2,343,908)
Lease Liabilities	21,162,973	5,482,441
Dividends paid	(75,402,712)	(75,404,592)
Interest Paid	(3,280,441)	(630,949)
<b>Net cash (used)/provided by financing activities</b>	<u>(86,719,516)</u>	<u>(72,897,007)</u>
Net increase in cash and cash equivalents	(77,101,000)	99,105,587
Cash and cash equivalents at beginning of year	464,782,400	347,334,372
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>387,681,400</u>	<u>446,439,958</u>



## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

Honey Bun (1982) Limited (the “Company”) is a limited liability company incorporated under the laws of Jamaica. Its principal activities comprise the manufacture and distribution of baked products to the local and export markets. The Company operates within Jamaica from its registered office located at 26 Retirement Crescent, Kingston 5.

The Company’s shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on 3 June 2011.

### 2. BASIS OF PREPARATION

This condensed consolidated interim financial information has been prepared in accordance with IAS 34, Interim financial reporting.

The condensed interim financial information should be read in conjunction with the annual audited financial statements for the year ended 30 September 2023, which have been prepared in accordance with IFRSs and comply with the provisions of the Jamaican Companies Act.

### 3. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these un-audited financial statements are consistent with those used in the audited financial statements for the year ended 30 September 2023.

### 4. USE OF ESTIMATES AND JUDGMENTS

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 September 2023.

(i) Property, plant and equipment:

Items of property, plant and equipment are stated at cost less accumulated depreciation.

**USE OF ESTIMATES AND JUDGMENTS (CONTINUED)**

(ii) Depreciation:

Depreciation is recognized on profit or loss on the straight-line basis, over the estimated useful lives of property, plant and equipment.

(iii) Borrowings:

Borrowings are recognized initially as the proceeds received net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method with any difference between proceeds net of transactions costs and the redemption value recognized in income along with regular interest charges over the period of the borrowings.

(iv) Impairment:

Impairment provisions for trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses (ECL).

**5. SEASONALITY OF OPERATIONS**

Due to the seasonal nature of the Company's revenue streams, operating profits are usually expected to be higher in the first half of the year. The Christmas and Easter holidays fall within the first nine months of the financial year when sale of the Company's products reflect uneven revenue.

**6. EXCEPTIONAL ITEMS**

Items that are material either because of their size or their nature that are non-recurring are highlighted separately in the income statement. The separate reporting of exceptional items helps provide a better picture of the Company's underlying performance.

**7. EARNINGS PER STOCK UNIT**

The Earnings per Stock Unit (EPS) is computed by dividing the profit for the period by the number of shares in issue for the period of 471,266,950.

**8. SHARE CAPITAL**

	Jun-24	Jun-23
<b>Authorized:</b>		
487,500,000 shares (2020 – 97,500,000 shares)		
<b>Issued and fully paid:</b>		
471,266,950 shares (2020 - 94,253,390 shares)	46,514,770	46,514,770



## INFORMATION REGARDING SHAREHOLDERS

As at June 30, 2024

<b>TEN LARGEST SHAREHOLDERS</b>	<b>No. of Stock Units</b>
Next Incorporated	258,447,977
Herbert Chong	54,091,000
Michelle Chong	43,691,000
JMMB Securities Ltd	14,700,000
Wisynco Group Caribbean	8,074,221
Mayberry Managed Clients' Account	7,207,428
Cal's Manufacturing	6,644,122
Argyle Industries Inc	4,000,000
Jamaica Money Market Brokers Ltd	3,799,976
Sagikor Select Fund	3,780,227

### SHAREHOLDINGS OF DIRECTORS

Herbert Chong	54,091,000
Michelle Chong	43,691,000
Daniel Chong	2,747,635
Paul Moses	2,000,000
Charles Heholt	260,000
Yaneek Page	-
Wayne Wray	110,000

### SHAREHOLDINGS OF SENIOR OFFICERS

Herbert Chong	54,091,000
Michelle Chong	43,691,000
Daniel Chong	2,747,635
Dustin Chong	2,479,035
Paula Graham-Haynes	-
Paula Cameron	15,644



## THE HONEY BUN FOUNDATION

The Honey Bun Foundation's continues its mission of, "Creating Powerful Business Models for Small and Medium enterprises (SME's) and the Creative Industry to become transformational Industries for Jamaica's Economy."



**Dr Lawrence Nicholson,  
Senior Lecturer at Mona School of  
Business**

This year the foundation has curated a number of special workshops for the sector. In April the Foundation hosted it's "GET LEGIT" workshop facilitated by Attorney-At-Law Deanna McFarlane, outlining the basic legal structure required for SMEs. This was followed in June by the first in a series of three workshops focused on Family-Owned Businesses. The first workshop : **Navigating the Governance Structure of Family-Owned Businesses.**

The workshops are facilitated by Dr Lawrence Nicholson, Senior Lecturer at Mona School of Business, UWI Mona and a leading expert in the field having conducted research on Family-Owned and Women-Owned Businesses in the Caribbean. He is also co-author of the book: Understanding the Caribbean Enterprise: Insights from Micro, Small and Medium Enterprises (MSMEs) and Family-Owned Businesses.

The workshops continue until August, with the final workshop entitled: **Succession planning: transitioning from one generation to the next.**

## **WHOLESALE OUTLETS**

### **East Street Outlet**

85 East Street  
Kingston  
Tel: 876 371 0199

### **Princess Street Outlet**

92-92a Princess Street  
Kingston  
Tel: 876 371 0199

### **Half Way Tree Outlet**

Shop #2 Park Plaza  
8 Constant Sprint Road  
Kingston 10  
Tel: 876 351 5753

### **Cross Roads Outlet**

Shop #5 1-3 & 5 Old Hope Road  
Kingston  
Tel: 876 855 0902

### **Retirement Crescent Outlet – Head Office**

22-26 Retirement Crescent  
Kingston 5  
Tel: 960 9851

### **Santa Cruz Outlet**

Shop No 2, 22 Main Street  
Santa Cruz  
St. Elizabeth

### **Ocho Rios Outlet**

Shop B11, Pineapple Shopping Centre  
Main Street, Ocho Rios, St. Ann  
Tel: 876 579 7836

### **Old Harbour Outlet**

Shop #3, 16 East Street,  
Old Harbour, St. Catherine  
Tel: 876 442 6601

### **Spanish Town Outlet**

Spanish Town Taxi Stand and Bus Park  
Burke Road, Spanish Town  
St. Catherine

### **Morant Bay Outlet**

13 South Street,  
Morant Bay, St. Thomas

### **Papine Outlet**

Shop #1a, Papine Market Place  
Kingston 7  
Tel: 876 564 7836

### **Savanna-La-Mar Outlet**

88 Great George Street  
Savanna-la-Mar  
Westmoreland