



HONEY BUN (1982) LIMITED
Unaudited Financial Statements
For the Three months ending December 31, 2024

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SUMMARY DATA

	YEAR TO DATE		% Change
	Dec-24	Dec-23	
Gross Operating Revenue	\$ 1,040,797,061	\$ 941,634,470	11%
Net Profit	\$ 76,923,985	\$ 86,505,812	-11%
Earnings per share	\$ 0.16	\$ 0.18	-11%
Total Assets	\$ 2,718,915,497	\$ 1,867,580,668	46%
Cash & Cash equivalent	\$ 284,742,637	\$ 508,252,086	-44%

MANAGEMENT DISCUSSION AND ANALYSIS

Gross operating revenue for the first quarter ending December 31, 2024, was \$1,040.8M, which is up 10.5% on the prior year, whilst the gross profit ratio closed at 48.0% compared to 46.2% for the prior year comparative period. The company earned net profits of \$76.9M year-to-date, which was 11.1% below the prior year's comparative period.

The increase in intangible assets relates to the goodwill recognized on the purchase of the Swirls brand in June of 2024. The major contributor to the increase in receivables & prepayment relates to prepayments made on equipment and services for the Angels, St. Catherine expansion project.

As a result of the company's capital investment in the new production and distribution facility in Angels, St. Catherine, Rights-of-Use assets and the corresponding lease liability have increased significantly in accordance with IFRS Accounting Standards.

The company continues to maintain a healthy bank balance with cash and cash equivalents closing at \$284.7M, which is a 44.0% decrease when compared with the previous comparative period of \$508.2M. This decrease is directly attributable to our expansion project, where to date we have financed the development from cashflow. Overall net current assets increased by 7.1% with a closing balance of \$652.2M.

The Honey Bun Foundation celebrated its 5th Anniversary on November 12, 2024, along with a new cohort of small to medium sized enterprises (SME's) as it continues the mission of impacting Jamaica by continuing to develop our advisory committee model.

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 Three Months December 31, 2024



HONEY BUN (1982) LIMITED
 Unaudited Financial Statements
 For the Three Months December 31, 2024

STATEMENT OF COMPREHENSIVE INCOME

**Statement of Profit or Loss and Other Comprehensive Income
 For the Three months ended December 31, 2024**

(Expressed in Jamaican Dollars except otherwise stated)

	Unaudited YTD Three(3) months ended December 2024	Unaudited YTD Three(3) months ended December 2023
Gross operating revenue	1,040,797,061	941,634,470
Cost of operating revenue	(540,926,173)	(506,345,006)
Gross profit	<u>499,870,888</u>	<u>435,289,464</u>
Other Gains/(losses) **	207,699	(2,605,777)
	<u>500,078,587</u>	<u>432,683,687</u>
Gross Profit Margin	48.0%	46.2%
Administrative, selling and distribution expenses		
Administrative	217,984,898	173,814,876
Selling & distribution costs	<u>173,974,537</u>	<u>144,516,104</u>
	391,959,435	318,330,980
Movement on impairment lossess on financials	-	7
Operating profit before finance costs and taxation	108,119,152	114,352,714
Finance income- interest	1,653,794	4,025,168
Finance costs	<u>(7,686,802)</u>	<u>(1,673,070)</u>
	102,086,145	116,704,812
Increase/(Decrease) in value of investments classified as fair value through profit or loss	<u>1,183,841</u>	<u>-</u>
Profit before taxation	103,269,985	116,704,812
Taxation	<u>(26,346,000)</u>	<u>(30,199,000)</u>
Net profit for the period	<u>76,923,985</u>	<u>86,505,812</u>
Total comprehensive income for the period	<u>76,923,985</u>	<u>86,505,812</u>
Earnings Per Share	0.16	0.18



HONEY BUN (1982) LIMITED
 Unaudited Financial Statements
 For the Three Months December 31, 2024

STATEMENT OF FINANCIAL POSITION

HONEY BUN (1982) LIMITED
Statement of Financial Position
as at December 31, 2024


(Expressed in Jamaican Dollars except otherwise stated)

	Unaudited December 2024	Unaudited December 2023	Audited September 2024
NON-CURRENT ASSETS			
Property, plant and equipment	796,615,120	723,584,287	772,741,285
Right-of-Use Asset	775,853,994	46,749,335	784,354,848
Investments	52,760,584	116,942,481	51,145,425
Intangible assets	14,447,976	6,792,639	14,695,538
Total non-current assets	<u>1,639,677,673</u>	<u>894,068,742</u>	<u>1,622,937,096</u>
CURRENT ASSETS			
Inventories	231,225,599	252,139,459	236,269,171
Receivables & Prepayments	549,059,139	203,018,468	363,469,367
Taxation recoverable	14,210,452	10,101,912	13,937,571
Cash & cash equivalents	284,742,637	508,252,086	382,211,339
Total current assets	<u>1,079,237,826</u>	<u>973,511,926</u>	<u>995,887,448</u>
CURRENT LIABILITIES			
Trade and other payables	317,970,802	310,918,600	256,092,957
Taxation Payable	45,288,030	33,150,975	31,139,223
Current Portion of Long Term Loans	-	2,811,929	3,147,491
Current Portion of Lease Liability	63,755,892	17,598,226	13,804,039
	<u>427,014,724</u>	<u>364,479,731</u>	<u>304,183,710</u>
Net current assets	652,223,103	609,032,195	691,703,738
Total assets less current liabilities	<u>2,291,900,776</u>	<u>1,503,100,937</u>	<u>2,314,640,834</u>
NON-CURRENT LIABILITIES			
Long term loans	-	8,842,676	69,172,004
Lease liability	742,993,640	33,583,535	731,071,654
Deferred tax Liabilities	43,724,721	58,167,545	43,724,721
Total non-current liabilities	<u>786,718,362</u>	<u>100,593,755</u>	<u>843,968,379</u>
EQUITY			
Share capital	46,514,770	46,514,770	46,514,770
Capital reserves	53,818,788	53,818,788	53,818,788
Retained earnings	1,404,848,856	1,302,173,624	1,370,338,897
Total equity	<u>1,505,182,414</u>	<u>1,402,507,182</u>	<u>1,470,672,455</u>
Total non-current liabilities and equity	<u>2,291,900,776</u>	<u>1,503,100,937</u>	<u>2,314,640,834</u>

Approved for issue by the Board of Directors on February 13, 2025, and signed on its behalf by:



Herbert Chong (Chairman)



Wayne Wray (Director)

HONEY BUN (1982) LIMITED
 Unaudited Financial Statements
 For the Three Months December 31, 2024

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

HONEY BUN (1982) LIMITED
Statement of Changes in Equity
For the Three months ended December 31, 2024
(Expressed in Jamaican Dollars except otherwise stated)

	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Totals \$
Balances as at September 30, 2023	46,514,770	53,818,788	1,215,667,812	1,316,001,371
Total comprehensive income for the period	-	-	86,505,812	86,505,812
Adjustment				
Dividends	-	-	0	0
Balances as at Decembrer 31, 2023	<u>46,514,770</u>	<u>53,818,788</u>	<u>1,302,173,624</u>	<u>1,402,507,182</u>
Balances as at September 30, 2024	46,514,770	53,818,788	1,370,338,897	1,470,672,455
Total comprehensive income for the period	-	-	76,923,985	76,923,985
Dividends	-	-	(42,414,027)	(42,414,027)
Balances as at December 31, 2024	<u>46,514,770</u>	<u>53,818,788</u>	<u>1,404,848,856</u>	<u>1,505,182,414</u>



HONEY BUN (1982) LIMITED
 Unaudited Financial Statements
 For the Three Months December 31, 2024

STATEMENT OF CASHFLOWS

HONEY BUN (1982) LIMITED

Statement of Cashflows

For the period ended December 31, 2024

(Expressed in Jamaican Dollars except otherwise stated)

	Three months ended December 2024	Three months ended December 2023
CASH FROM OPERATING ACTIVITIES		
Net Profit	76,923,985	86,505,812
Adjustments for items not affecting cash:		
Depreciation	33,851,071	29,561,900
Right of Use Depreciation	8,500,854	5,251,878
Amortization	247,562	354,615
Loss/(gain) on disposal of property, plant and equipment	-	-
Revaluation of Quoted Securities	(1,183,841)	-
Retained earnings adjustment	-	-
Interest income	(1,653,794)	(4,025,168)
Interest expense	24,539	53,661
Taxation expense	26,346,000	30,199,000
	143,056,376	147,901,697
Changes in non-cash working capital components:		
Inventories	5,043,572	(49,824,534)
Trade and other receivables	(185,589,772)	(55,420,229)
Trade and other payables	61,877,845	31,938,239
Tax paid	(12,470,074)	(14,034,897)
Net cash (used in)/provided by operating activities:	<u>11,917,947</u>	<u>60,560,276</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment		
Additions to property, plant and equipment	(57,724,905)	(17,367,484)
Additions to Right of Use assets	1	(329,706)
Additions to intangible assets	0	-
Investments, net	(431,318)	1,535,837
Interest received	1,653,794	4,025,168
Net cash used in investing activities	<u>(56,502,428)</u>	<u>(12,136,185)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term loans	(72,319,495)	(20,356,661)
Lease Liabilites	61,873,839	15,037,689
Dividends paid	(42,414,027)	0
Interest Paid	(24,539)	(53,661)
Net cash (used)/provided by financing activities	<u>(52,884,221)</u>	<u>(5,372,633)</u>
Net increase in cash and cash equivalents	(97,468,702)	43,051,458
Cash and cash equivalents at beginning of year	382,211,339	465,200,628
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>284,742,637</u>	<u>508,252,086</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 2024, 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 2024.

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 2024.

(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

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



INFORMATION REGARDING SHAREHOLDERS

As at December 31, 2024

TEN LARGEST SHAREHOLDERS

	No. of Stock Units
Next Incorporated	258,447,977
Herbert Chong	54,091,000
Michelle Chong	43,673,000
JMMB Securities Ltd	14,700,000
Wisynco Group Caribbean	8,222,598
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
Sagicor Select Fund	3,780,227

SHAREHOLDINGS OF DIRECTORS

Herbert Chong	54,091,000
Michelle Chong	43,673,000
Daniel Chong	2,747,635
Paul Moses	2,000,000
Charles Heholt	129,500
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	104,144

THE HONEY BUN FOUNDATION

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



On November 12, 2024, The Honey bun Foundation celebrated its 5th anniversary. Five years of building the SME sector through its three models: National Training Calendar, Business Diagnostic Gapp app and the Advisory Committee Model.

To celebrate the occasion, the advisors who participate in the advisory committee for 2023, were awarded for their nation building voluntary work at a cocktail reception at the Terra Nova All Suite Hotel in St Andrew. The main speaker at the event, Minister of Industry, Investment and Commerce Aubyn Hill, lauded the foundation for its strategic initiatives. He described the advisors as true nation builders who are instrumental in driving SME growth, innovation and expansion.



The Foundation closed out the year with a record 47 applicants for its 2025 iteration of its Advisory Committee Model. Suitable applicants will be chosen from this list of applicants with a focus on the Creative Industry, as the foundation forges ahead in documenting the best strategies to build the orange economy.

WHOLESALE OUTLETS

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
Outlet**

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