

Jetcon Corporation Limited

INTERIM RESULTS

Third Quarter ended September 30, 2024



Unaudited Financial Statements

Report of the Directors to Shareholders of

Jetcon Corporation Limited

For the Third Quarter ending September 30, 2024

Jetcon Corporation Limited ended the third quarter of 2024 with an increase in net losses compared with the same period of 2023. There was a decrease in revenues, as well as an increase in expenses, the most significant being Administrative, and Finance Charges; Most of the increase in finance charges comes from the solar division, owing to the need to seek financing to procure inventory, particularly during the months of July and August, as the passing of Hurricane Beryl in July resulted in a major spike in demand for solar products which rapidly and unexpectedly depleted inventory, which needed replenishment.

Revenue for the quarter totalled \$134 million, down 7.5% from 2023's total of \$144.5 million, however due to a decrease in Cost Of Sales (\$116.5 million, down from \$127.4 million), Gross Profit for 2024 was actually higher than that of 2023 - \$17.6 million, vs \$17.1 million in 2023. Net Losses totalled \$10 million compared with \$7.1 million in 2023, due to the aforementioned increases in Expenses.

As with the previous quarter, Gross Margin has increased from 12% to 14%, this can be attributed to the fact that, despite the flatness of used car sales, new car sales and solar sales continue to grow, and are making up an increasing percentage of total Revenues. These divisions attract higher profit margins and attract much lower costs of sale than that of used cars.

Going forward, we expect this trend to continue, and we expect the growth of New Car sales and Solar sales will bring the Company back into profitability in due course. Our new car showroom, as shown on the Title Page of this report, was just opened in October. We would like to thank our shareholders, customers, and staff for their continued support of Jetcon.



Andrew Jackson

Executive Chairman



Andrew J Jackson

Corporate Secretary

JETCON CORPORATION LIMITED

Statement of Comprehensive Income Third Quarter Ending September 30, 2024

	<u>3rd. Quarter</u>		<u>9 months to September</u>		<u>Audited 12</u>
	2024	2023	Y-T-D 2024	Y-T-D 2023	<u>Months</u>
	\$	\$	\$	\$	2023
<u>Revenues</u>					
Total Revenue	134,159,400	144,543,477	380,730,077	508,001,797	672,516,164
Cost of Sales	<u>116,594,513</u>	<u>127,426,699</u>	322,997,260	<u>450,391,411</u>	<u>591,361,355</u>
Gross Profit	17,564,887	17,116,778	57,732,817	57,610,386	81,154,809
Other Income	<u>745,526</u>	<u>0</u>	<u>926,878</u>	<u>0</u>	<u>1,367,474</u>
Gross Margin	18,310,413	17,116,778	58,659,695	57,610,386	82,522,283
<u>Expenses</u>					
Sales and Marketing	4,825,004	5,549,100	12,735,324	15,907,294	10,454,948
Administrative and Others	18,793,791	15,226,107	45,043,236	44,346,533	70,669,917
Other Operating Expenses	3,934,977	3,513,459	13,540,988	9,701,910	0
Finance Charges	<u>815,108</u>	<u>(54,900)</u>	<u>4,401,610</u>	<u>28,384</u>	<u>5,911,798</u>
	<u>28,368,879</u>	<u>24,233,766</u>	<u>75,721,157</u>	<u>69,984,121</u>	<u>87,036,663</u>
Profit Before Taxation	(10,058,466)	(7,116,988)	(17,061,462)	(12,373,735)	(4,514,380)
Taxes & Penalties	0	0	0	0	0
Net Profit after Tax	(10,058,466)	(7,116,988)	(17,061,462)	(12,373,735)	<u>(4,514,380)</u>
Other Comprehensive Income	0	0	0	0	
Fair Value Investment gains	0	0	0	0	<u>(35,980)</u>
Total Comprehensive Income	<u>(10,058,466)</u>	<u>(7,116,988)</u>	<u>(17,061,462)</u>	<u>(12,373,735)</u>	<u>(4,550,360)</u>
Earnings Per Share (cents)	-0.76	-1.22	-1.28	-2.12	-0.78

JETCON CORPORATION LIMITED
Statement of Financial Position
Third Quarter Ending September 30, 2024

	September 30, 2024	UNAUDITED September 30, 2023	AUDITED DECEMBER 31, 2023
	\$	\$	\$
ASSETS			
Non-Current Assets			
Property and Equipment	171,420,400	210,797,894	158,082,908
Quoted Investments	<u>50,492</u>	<u>86,472</u>	<u>50,492</u>
	171,470,892	210,884,366	158,133,400
Current Assets			
Inventories	373,702,268	418,944,726	417,804,990
Related parties	20,345,639	20,345,639	20,345,639
Receivables	49,503,848	92,972,890	57,838,858
Taxation recoverable	6,472,118	0	3,965,695
Cash and cash equivalent	<u>347,784</u>	<u>4,240,122</u>	<u>9,476,090</u>
	450,371,657	536,503,377	509,431,272
Current Liabilities			
Payables	33,898,181	101,670,076	90,365,472
Right of Use Liability	0	22,365,395	0
Short Term Borrowings	30,002,740	56,172,547	0
Bank overdraft	<u>0</u>	<u>0</u>	<u>2,196,110</u>
	63,900,921	180,208,018	92,561,582
Net Current Assets	386,470,736	356,295,359	416,869,690
Total assets less current liabilities	<u>557,941,628</u>	<u>567,179,725</u>	<u>575,003,090</u>
EQUITY			
Share Capital	88,817,218	88,817,218	88,817,218
Capital reserves	16,761,002	16,761,002	16,761,002
Retained Earnings B/F	469,424,870	468,718,493	473,939,260
Current year Profit/(loss)	<u>-17,061,462</u>	<u>-7,116,988</u>	<u>-4,514,390</u>
Total Equity	<u>557,941,628</u>	<u>567,179,725</u>	<u>575,003,090</u>


 Andrew Jackson
 Executive Chairman


 Andrew J Jackson
 Corporate Secretary

JETCON CORPORATION LIMITED
Statement of Cash Flows
Third Quarter Ending September 30 2024

	Unaudited SEPTEMBER 2024 \$	Audited DECEMBER 2023 \$
Cash Flow from operating activities		
Net Profit /(Loss) after taxation	-17,061,462	-4,514,390
Adjustments for :		
Amortization -right of use asset	0	13,270,208
Depreciation	3,988,939	5,518,090
Other adjustments	<u>2,876,013</u>	<u>3,947,502</u>
Operating cash flows before movements in working capital	-10,196,510	18,221,410
Changes operating assets and liabilities:	<u>-3,039,559</u>	<u>12,742,392</u>
Net cash flow provided by /(used in) operating activities	-13,236,069	30,963,802
Net Cash flows from investing activities:	-1,189,415	-14,959,157
Net Cash flow from financing activities	<u>-4,351,191</u>	<u>-13,963,468</u>
Net increase /(decrease) in cash resources	-18,776,675	2,041,177
Cash resources at the beginning of the year	<u>7,279,980</u>	<u>5,238,804</u>
Cash resources at the end of the period	<u>-11,496,695</u>	<u>7,279,981</u>
Represented by :		
Bank overdraft	0	-2,196,110
Cash and cash equivalents	<u>347,784</u>	<u>9,476,090</u>
Cash Balance	<u>347,784</u>	<u>7,279,980</u>

JETCON CORPORATION LIMITED
STATEMENT OF SHAREHOLDERS' EQUITY
Third Quarter Ending September 30, 2024

	No of Shares	Share Capital	Capital Reserve	Retained Earnings	Total
Balance at December 2023	194,500,000	88,817,218	16,796,982	473,939,260	579,553,460
Total Comprehensive Income/(Loss) for : Period				(5,256,747)	(5,256,747)
Balance at September 30, 2023	194,500,000	88,817,218	16,796,982	468,682,513	574,296,713
Balance at December 2023	194,500,000	88,817,218	16,761,002	469,424,870	575,003,090
Total Comprehensive Income for : Period				(17,061,462)	(17,061,462)
Balance at September 30, 2024	194,500,000	88,817,218	16,761,002	452,363,408	557,941,628



 Andrew Jackson
 Executive Chairman


 Andrew J Jackson
 Corporate Secretary

Jetcon Corporation Limited

Notes to the Financial Statements

For the Third Quarter ending September 30, 2024

1. IDENTIFICATION

Jetcon Corporation Limited is incorporated and domiciled in Jamaica. Its registered office is situated at 2 Sandringham Avenue, Kingston 10, Jamaica, WI.

The Company is listed on the Junior Market of the Jamaica Stock Exchange. The principal activity of the company is the importation of motor vehicles for resale in Jamaica.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

The interim financial report for the reporting period ended September 30, 2024 has been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting'.

Changes in significant accounting policies relevant to the company's operations:

IFRS 9, Financial instruments replaces the provisions of IAS 39 that relates to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, and impairment of financial assets. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' [ECL], which means that a loss event will no longer need to occur before an impairment allowance is recognised. The impact of the application of **IFRS 9** is not considered material to the company's disclosure. The immateriality disclosure exemption under IAS 1 'Presentation of Financial Statements', has been applied.

The company applies the simplified approach permitted by **IFRS 9**, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using the ECL. As a practical expedient, a provision matrix is utilized in determining the lifetime ECLs for trade receivables.

The adoption of **IFRS 9** from January 1, 2018 resulted in no adjustments to the comparative figures presented in the financial statements. Further, as stated above, the immateriality exemption under IAS 1 'Presentation of Financial Statements', has been applied.

Jetcon Corporation Limited
Notes to the Financial Statements
For the Third quarter ending September 30, 2024

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (continued)

BASIS OF PREPARATION

(b) Property, plant and equipment

Items of property, plant and equipment are stated at cost and valuation less accumulated depreciation. Depreciation is recognized on profit or loss on the straight-line basis, over the estimated useful lives of property, plant, motor vehicles and equipment except for land and investment properties.

(c) Borrowings

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

(d) Inventories

Inventories are valued at the lower of cost or net realisable value.

3. EARNINGS PER SHARE

Earnings per share is based on 583,500,000 shares issued.

4. SHARE CAPITAL

The company opted to be listed on the junior market of the Jamaica Stock Exchange on the 24th of March 2016. In preparation for the listing, the share capital was restructured, resulting in the issue of 481,650 bonus shares, in addition, the authorized share capital was split into 300 million shares of no par value, resulting in the issued capital increasing to 150 million shares. In March the company issued 44.5 million shares to the public, bringing the total issued shares to 194,500,000 units and in 2018 the shares were split into 3 and brought the issued capital to 583,500,000 units.

