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May 21, 2020

Mr. Andrae Tulloch  
Chief Regulatory Officer, RMOD  
Jamaica Stock Exchange  
40 Harbour Street  
Kingston

Dear Mr. Tulloch,

**RE: WIGTON WINDFARM LIMITED 3<sup>rd</sup> QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED DECEMBER 31, 2019**

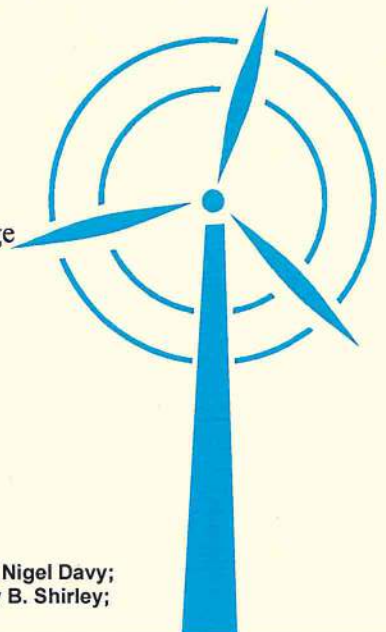
Please find attached Wigton Windfarm Limited's amended Third Quarter Financial Statement for the period ended December 31, 2019. The Earnings Per Share for December 2018 was adjusted.

Please acknowledge receipt of the Financial Statements.

Sincerely,  
**WIGTON WINDFARM LIMITED**

  
.....  
Earl Barrett  
Managing Director

Copy: Mr. Oliver Holmes, Chairman, Wigton Windfarm Limited  
Mrs. Marlene Street Forrest, Managing Director, Jamaica Stock Exchange



Mr. Oliver W. Holmes (Chairman); Mr. Earl Barrett (Managing Director); Mr. Dennis Chung; Mr. Nigel Davy;  
Mrs. Georgia Gibson Henlin; Mr. Hugh Johnson; Mrs. Jacqueline Stewart Lechler; Mr. Gregory B. Shirley;  
Mrs. Shaun Treasure (Company Secretary)



**Wigton Windfarm Limited**  
**Unaudited Financial Statements**  
**Period Ended 31 December 2019**

# Wigton Windfarm Limited

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For the nine months ended 31 December 2019

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# Wigton Windfarm Limited

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For the nine months ended 31 December 2019

The Directors are pleased to present the unaudited financial results of Wigton Windfarm Limited (WWFL) for the third quarter of the 2019 - 2020 financial year, which ended on December 31, 2019. These results have been prepared in accordance with International Financial Reporting Standards (IFRS).

### THIRD QUARTER FINANCIAL HIGHLIGHTS

Description	Third Quarter October to December 2019	Third Quarter October to December 2018	Change (%)	Year to Date December 2019	Year to Date December 2018	Change (%)
Production	23,717,057 kWh	31,867,817 kWh	(25.6)	119,745,429kWh	131,169,297kWh	(8.7)
Availability	91%	87%	4.0	94%	87%	7.0
	\$	\$		\$	\$	
Total Revenue	478,733,417	755,693,950	(36.7)	2,062,110,417	2,418,674,459	(14.7)
Total Expenses	494,606,334	484,736,460	2.0	1,536,482,574	1,851,659,775	17.0
Net Profit/(Loss) after Taxation	(15,872,917)	270,957,491	(105.9)	525,627,843	567,014,684	(7.3)
Earnings Per Share*	(0.002)	0.02		0.05	0.05	

### THIRD QUARTER FINANCIAL PERFORMANCE

For the nine months period ended December 31, 2019, WWFL recorded net profit of \$525.6 million, a decline of 7.3% (2018 - \$567.0 million) compared with the same period last year (SPLY). For the reporting quarter, a net loss of \$15.9 million was realized, compared with a net profit of \$271.0 million in the SPLY, a decline of 105.9%.

- o Earnings per share (EPS) for the nine months period was \$0.05; similarly, \$0.05 was recorded in the corresponding period in 2018. For the quarter ended December 31, 2019, EPS was (\$0.002) due the loss of \$15.9 million realized in the quarter.

## Wigton Windfarm Limited

Interim Report to Shareholders

For the nine months ended 31 December 2019

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### Revenues

For the nine months period ended December 31, 2019, revenues were \$2.1 billion or 14.7% lower than the SPLY. For the quarter ended December 31, 2019, WWFL recorded total revenues of \$478.7 million; a decrease of \$277.0 million or 36.7% below the \$755.7 million earned in the quarter ended December 31, 2018. The lower revenues are directly related to a 25.6% decrease in production in the current reporting quarter due to a decline in average wind speed from 8 meters per second in 2018 to 7 meters per second in 2019. Availability of the wind turbines was 4.6% better in 2019 than in the SPLY, the result of management's focus on maintaining a minimum availability of 90%. Repairs and maintenance were deliberately programmed to capitalise on the low wind regime experienced during the quarter in order to maintain the availability standards for ensuing quarters.

WWFL's contracts with Jamaica Public Service Co. Ltd. for delivery of power are indexed to the United States dollar.

Included in other income of \$115 million for the quarter ended December 2019 are two extraordinary amounts totalling \$57 million; \$29 million arising from the settlement of an insurance claim and the reversal of a provision for carbon credit payable of \$28 million.

### Expenses

Total expenses for the quarter was \$494.6 million, an increase of \$9.9 million or 2% over the \$484.7 million in the SPLY. The main contributors to the increase was \$18.5 million of additional depreciation expense reported in cost of sales and \$81.7 increase in finance costs for the quarter.

### Financial Position

Total assets as at December 31, 2019 was \$10.3 billion, an increase of \$0.5 billion or 5.1%, compared to total assets of \$9.8 billion as at December 31, 2018. The main contributor to the increase was \$1.1 billion increase in cash and deposits, offset by a decrease of \$471.6 million in property, plant and equipment (depreciation charge of \$501.8 million for the reporting period), and a decline of \$130.7 million in accounts receivable.

The company's current liabilities have experienced an increase of \$623.2 million, primarily due to the December 14, 2020 maturity of its Series A Bond for \$710 million moving from a long term to a current liability.

Wigton continues to be compliant with all its Bond covenants.

Shareholders' equity for the period ended December 31, 2019 was \$3.4 billion, an increase of \$0.5 billion or 17.2% over the SPLY of \$2.9 billion.

## **Wigton Windfarm Limited**

Interim Report to Shareholders

For the nine months ended 31 December 2019

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### **OUTLOOK: 2020 AND BEYOND**

For 2020 and beyond, WWFL's key objective is to expand its operations beyond wind energy generation in order to increase its revenue base and add value for its shareholders. In order to drive growth and expansion, the company is broadening the scope of its commercial propositions to include energy facility development and construction, project management, operations and maintenance management, innovative project financing as well as enhanced training and development services.

Efforts to achieve the above goals are underway, though the company remains mindful of the medium to long term timeframes which define its growth path, given the nature of its business.

Although actively in expansion mode, current operations will continue to meet WWFL's high performance standards which include successfully responding to calls for additional energy supply to the local grid, engaging in mutually rewarding joint venture projects in Jamaica and the region, an excellent safety record, wind turbine availability rate above 90%, the delivery of training in all facets of renewable energy, prudent management of expenses and a solid corporate social responsibility programme.



# Wigton Windfarm Limited

## Statement of Comprehensive Income

For the nine months ended 31 December 2019 (expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Quarter Ended 31 December 2019 \$'000	Unaudited Quarter Ended 31 December 2018 \$'000	Unaudited Nine Months Ended 31 December 2019 \$'000	Unaudited Nine Months Ended 31 December 2018 \$'000
Sales	363,381	465,020	1,828,542	1,953,553
Cost of sales	<u>(204,321)</u>	<u>(185,822)</u>	<u>(592,136)</u>	<u>(543,454)</u>
<b>Gross Profit</b>	159,060	279,198	1,236,406	1,410,099
Other income	115,352	290,674	233,568	465,121
General administrative expenses	<u>(85,059)</u>	<u>(84,872)</u>	<u>(266,400)</u>	<u>(248,112)</u>
<b>Operating Profit</b>	189,353	485,000	1,203,574	1,627,108
Finance expense	<u>(210,239)</u>	<u>(128,477)</u>	<u>(511,958)</u>	<u>(881,036)</u>
<b>Profit before Taxation</b>	(20,886)	356,523	691,516	746,072
Taxation	<u>5,013</u>	<u>(85,566)</u>	<u>(165,988)</u>	<u>(179,057)</u>
<b>Net Profit</b>	<u>(15,873)</u>	<u>270,957</u>	<u>525,628</u>	<u>567,015</u>
Earning per shares/ stock unit for profit attributable to the equity holders of the Company during the year 4	<u>\$(0.002)</u>	<u>\$0.02</u>	<u>\$0.05</u>	<u>\$0.05</u>
<b>Units of shares</b>	<u>11,000,000,000</u>	<u>11,000,000,000</u>	<u>11,000,000,000</u>	<u>11,000,000,000</u>

**Wigton Windfarm Limited**

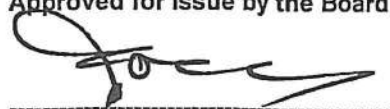
## Statement of Financial Position

As at 31 December 2019 (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	Note	December 2019 \$'000 Unaudited	December 2018 \$'000 Restated	March 2019 \$'000 Audited
<b>Non-Current Assets</b>				
Property, plant and equipment		7,596,021	8,067,664	7,997,089
Pension plan asset		82,702	67,499	82,702
		<u>7,678,723</u>	<u>8,135,163</u>	<u>8,079,791</u>
<b>Current Assets</b>				
Accounts receivable		261,644	392,356	134,815
Taxation recoverable		56,085	62,899	61,545
Cash and deposits	5	2,275,147	1,167,858	1,376,599
		<u>2,592,876</u>	<u>1,623,113</u>	<u>1,572,959</u>
<b>Current Liabilities</b>				
Due to parent Company		-	-	19,459
Accounts payable		82,212	148,331	119,498
Taxation payable		151,591	179,057	-
Current portion of long-term liabilities		731,609	14,856	22,546
		<u>965,412</u>	<u>342,244</u>	<u>161,503</u>
<b>Net Current Assets</b>		<u>1,627,464</u>	<u>1,280,869</u>	<u>1,411,456</u>
		<u>9,306,187</u>	<u>9,416,032</u>	<u>9,491,247</u>
<b>Equity</b>				
Share capital		202,598	202,598	202,598
Retained earnings		3,217,038	2,684,987	2,691,410
		<u>3,419,636</u>	<u>2,887,585</u>	<u>2,894,008</u>
<b>Non-Current Liabilities</b>				
Capital grants		87,961	108,136	103,090
Long term liabilities	6	5,555,172	6,348,587	6,250,731
Post-employment benefit obligation		26,925	30,164	26,925
Deferred tax liabilities		216,493	41,560	216,493
		<u>9,306,187</u>	<u>9,416,032</u>	<u>9,491,247</u>

Approved for issue by the Board of Directors on January 29, 2020 and signed on its behalf:



Oliver W. Holmes Chairman



Earl Barrett Managing Director



## Wigton Windfarm Limited

### Statement of Changes in Equity

For the nine months ended 31 December 2019 (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	Number of Shares '000	Share Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance at 1 April 2018</b>	10	202,598	2,117,972	2,320,570
Net profit	-	-	567,015	567,015
<b>Balance at 31 December 2018</b>	10	202,598	2,684,987	2,887,585

	Number of Shares '000	Share Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
<b>Balance at 1 April 2019</b>	10	202,598	2,691,410	2,894,008
Net profit	-	-	525,628	525,628
Increase in shares from a share split				
Additional shares	10,999,990	-	-	-
<b>Balance at 31 December 2019</b>	11,000,000	202,598	3,217,038	3,419,636

# Wigton Windfarm Limited

## Statement of Cash Flows

For the nine months ended 31 December 2019 (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	9 Months Ended 31 December 2019 \$'000	9 Months Ended 31 December 2018 \$'000
<b>SOURCES OF CASH:</b>		
<b>Operating Activities</b>		
Net profit	525,628	567,015
Items not affecting cash:		
Depreciation	501,781	464,964
Interest income	(35,990)	(13,166)
Interest expense	382,754	252,151
Taxation	165,988	179,057
Amortisation of grant	(15,131)	((15,131))
Exchange (gain)/loss on foreign balances	(75,453)	195,704
	<u>1,439,577</u>	<u>1,630,594</u>
Change in operating assets and liabilities:		
Accounts receivable	130,712	(62,843)
Accounts payable	(66,119)	15,305
Cash provided by/(used in) operating activities	<u>1,504,170</u>	<u>2,583,056</u>
<b>Financing Activities</b>		
Loans repaid	-	(6,716,165)
Loans received		6,250,731
Interest paid	(351,145)	(237,295)
Cash used in financing activities	<u>(351,145)</u>	<u>(702,729)</u>
<b>Investing Activities</b>		
Purchase of property, plant and equipment	(101,464)	(101,043)
Interest received	35,990	13,166
Cash used in investing activities	<u>(65,474)</u>	<u>(156,073)</u>
(Decrease)/increase in cash and cash equivalents	1,087,551	724,254
Exchange gains on cash and cash equivalents	19,739	(246,763)
Cash and cash equivalents at beginning of year	1,167,858	690,367
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<u>5</u> <u>2,275,147</u>	<u>1,167,858</u>

# Wigton Windfarm Limited

## Notes to the Financial Statements

For the nine months ended 31 December 2019 (expressed in Jamaican dollars unless otherwise indicated)

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### 1. Identification and Activities

Wigton Windfarm Limited (the Company) is incorporated in and domiciled in Jamaica. The Company was incorporated on April 12, 2000. The principal activities of the Company are the generation and sale of electricity from wind technology. The registered office of the Company is located at 36 Trafalgar Road, Kingston 10.

Effective May 22, 2019, the Company's shares were listed on the Jamaica Stock Exchange.

### 2. Basis of preparation

These financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting and should be read in conjunction with the annual financial statements which have been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The financial statements are expressed in Jamaican dollars unless otherwise indicated.

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain financial assets.

### 3. Segmenting Financial Reporting

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. Wigton Windfarm Limited is organised and managed in three main reportable segments based on the respective windfarms.

The designated segments are as follows:

- Phase I
- Phase II
- Phase III

The Company measures the performance of its operating segments through a measure of segment profit or loss which is profit before taxation.

A measure of segment assets is only required to be disclosed if the measure is regularly provided to the chief operating decision-maker (CODM). Segment assets include items of Property, Plant and Equipment. No other information is reported to or used by the CODM in order to assess performance and allocate resources.

Segment liabilities that are reviewed by the CODM include interest-bearing liabilities.

Revenue from transactions is with the Company's single customer, Jamaica Public Service Co. Ltd. (JPS).

# Wigton Windfarm Limited

## Notes to the Financial Statements

For the nine months ended 31 December 2019 (expressed in Jamaican dollars unless otherwise indicated)

### 4. Earnings per share

Earnings per share is calculated on net profit and is based on the weighted average number of ordinary shares in issue during the periods.

	Quarter Ended 31 December 2019 \$'000	Quarter Ended 31 December 2018 \$'000
Net profit attributable to ordinary shareholders	<u>(15,873)</u>	<u>270,957</u>
Weighted average number of ordinary shares in issue	<u>8,555,557,778</u>	<u>11,000,000,000</u>
Basic earnings per share	<u>\$(0.002)</u>	<u>\$0.02</u>

### 5. Cash and Deposits

Cash and deposits are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, deposits held with banks and investments in money market instruments with original maturities of 90 days or less.

	Quarter Ended 31 December 2019 \$'000	Quarter Ended 31 December 2018 \$'000
Cash at bank and in hand	24,270	128,927
Deposits	378,786	170,647
Investments	<u>1,872,092</u>	<u>868,284</u>
	<u>2,275,147</u>	<u>1,167,858</u>

As the Company positions itself to expand its operations, its cash resources are being reserved to meet its obligations for the equity requirements as the projects become available, and to meet its Bond payment obligations as they become due.

## Wigton Windfarm Limited

### Notes to the Financial Statements

For the nine months ended 31 December 2019 (expressed in Jamaican dollars unless otherwise indicated)

#### 6. Long Term Liabilities

	Quarter Ended 31 December 2019 \$'000	Quarter Ended 31 December 2018 \$'000
(i) Senior Secured Bonds:		
Series A – Due December 14, 2020	710,000	710,000
Series B – Due December 14, 2023	1,953,000	1,953,000
Series C – Due December 14, 2025	1,674,587	1,674,587
Series D – Due December 14, 2028	2,011,000	2,011,000
Unamortised upfront fees on loan	<u>(83,415)</u>	<u>-</u>
	6,265,172	6,348,587
Interest payable	<u>21,609</u>	<u>14,856</u>
	6,286,781	6,363,443
Less: Current portion	<u>(731,609)</u>	<u>(14,856)</u>
	<u>5,555,172</u>	<u>6,348,587</u>

(i) This represents two loans from The PetroCaribe Development Fund (PDF), one of which was granted to provide funding for the wind farm expansion by 18 Megawatts (MW), Wigton Phase II and the second loan was granted to provide funding for the wind farm expansion by 24MW, Wigton Phase III. Interest rate on these loans were 6% and 4%, respectively. Repayments were made monthly.

(ii) In December 2018, the Company launched a private placement of Bonds to raise J\$6,348,586,690 to repay the PDF. The placement was successful and the funds raised were converted to United States dollars through a Bank of Jamaica facility and applied to repay in full the loans totalling US\$49.2 million owing to the PetroCaribe Development Fund. The PetroCaribe Fund is statutorily empowered to grant loans to public bodies that are self-financing and to the Ministry of Finance to finance Government projects that have the potential to generate savings or expand revenue flows to the Government. This meant that with the Offer for Sale of the Company, it would cease to be a public body and would not qualify to hold loans from PetroCaribe Fund.

WWFL's weighted average interest cost on the J\$ Bonds totalling \$6.3 billion which range in maturity between December 2020 and December 2028 is 7.8%.

Shareholdings of Top Ten (10) Stockholders, Directors and Senior Officers as at 31 December 2019

10 Largest Shareholders of Wigton Windfarm Limited as at December 31, 2019

	Name of shareholder	Joint Holder(s)	Units	Percentage
1	Victoria Mutual Building Society	Nil	1,018,685,690	9.2608%
2	Mayberry Jamaican Equities Limited	Nil	737,586,783	6.7053%
3	National Insurance Fund	Nil	706,797,283	6.4254%
4	ATL Group Pension Fund Trustees NOM Ltd	Nil	370,514,485	3.3683%
5	Geoffrey Forde	Nil	150,130,000	1.3648%
6	Pan Caribbean Fin. Services A/C#1388842	Nil	123,286,240	1.1208%
7	JCSD Trustees Services Ltd - SIGMA Equity	Nil	114,262,324	1.0387%
8	MF&G Trust & Finance Ltd - A/C 58	Nil	82,450,000	0.7495%
9	Prime Asset Management JPS Employees Superannuation Fund	Nil	68,730,000	0.6248%
10	Sagicor Equity Fund	Nil	67,302,470	0.6118%

Shareholdings of Directors as at December 31, 2019

Shareholdings of Directors	Direct	Connected Parties	Total
Oliver W. Holmes	-	1,000,000	1,000,000
Nigel Davy	-	-	-
Jacqueline Stewart Lechler	8,730,000	8,730,000	17,460,000
M Georgia Gibson Henlin	-	-	-
Gregory B. Shirley	2,000,000	-	2,000,000
Hugh Johnson	-	-	-

Shareholdings of Senior Executives as at December 31, 2019

Shareholdings of Senior Executives	Direct	Connected Parties	Total
Earl Barrett	2,000,000	-	2,000,000
Rohan Hay	-	-	-
Michelle Chin Lenn	800,000	-	800,000
Shaun Treasure	200,000	200,000	400,000