



**Wigton Windfarm Limited's
Unaudited Financial Statements
For the Quarter Ended 30
September 2021**

Wigton Windfarm Limited
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Quarter Ended 30 September 2021

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Wigton Windfarm Limited
Interim Report to Shareholders
Quarter Ended 30 September 2021

The Directors of Wigton Windfarm Limited ("Wigton" or "the Company") hereby present the unaudited financial results for the second quarter ended 30 September 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

SECOND QUARTER FINANCIAL HIGHLIGHTS

Description	Quarter 2 - July to September 2021	Quarter 2 - July to September 2020	Change
	kWh	kWh	(%)
Production	39,571,798	36,752,168	7.7
Availability	86.0%	95.9%	(10.3)
	\$	\$	
Total Revenue	602,230,928	652,594,454	(7.7)
Total Expenses	463,101,884	448,600,451	(3.2)
Net Profit After Tax	105,738,074	155,035,442	(31.8)
Gross Profit Margin	64.3%	66.5%	(3.3)
Earnings Per Share	0.010	0.014	(28.6)

YEAR TO DATE HIGHLIGHTS

Description	6 Months - April to September 2021	6 Months - April to September 2020	Change
	kWh	kWh	(%)
Production	82,546,071	83,260,045	(0.9)
Availability	87.6%	96.6%	(9.3)
	\$	\$	
Total Revenue	1,285,544,852	1,472,264,738	(12.7)
Total Expenses	1,043,565,357	1,016,514,925	(2.7)
Net Profit After Tax	241,979,495	455,749,813	(46.9)
Gross Profit Margin	65.4%	69.7%	(6.2)
Earnings Per Share	0.022	0.041	(46.3)

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FINANCIAL PERFORMANCE FOR THE QUARTER ENDED 30 SEPTEMBER 2021

OPERATING PERFORMANCE

While the quarter, July to September 2021, ended with net profit declining by 31.8% versus the same period last year (SPLY), the comparative six months period, April to September, 2021, saw an overall reduction of 46.9%. These decreases were as a result of lower levels of production due mainly to the lower wind regime over the period, unavailability of some equipment which were undergoing maintenance and the impact of the rate reduction for Wigton Phase II.

While the Company benefited significantly from a front-loaded rate regime in respect of Wigton Phase II and was able to pay down its debts by 10.6% of the total project cost for Wigton Phase II and accumulate the 20% equity requirement for Wigton Phase III, the revenue shortfall from the lower rate which took effect during this period should be buttressed through core business initiatives being undertaken by the Company.

Accordingly, growing the business by investing in new business opportunities, being ready to respond to any new calls for additional renewable energy to the national grid, and continuing to prudently manage major expenses are among the core focus areas of management.

Production and Availability

The two (2) main factors that affect production and sales are wind speed and plant availability. The wind regime for the period under review was lower than the corresponding period in 2020. This was due to an abnormal change in the weather pattern.

The average plant availability rate was approximately 87.6% during the six months reporting period. This was below the projected target of 93.3% because of wind turbines being out of operation during the period to facilitate major maintenance activities.

Notwithstanding the adverse variance in the average plant availability, and the inability to accurately predict the weather pattern, having now completed the major maintenance activities that were undertaken in the first quarter and beginning of the second quarter, the Company is better poised to achieve its projected plant availability targets in the upcoming quarters which should result in more favourable production and sales.

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Revenue/Sales

Total revenue for the second quarter was \$602.2 million representing a \$50.4 million, or 7.7% decrease when compared to the amount earned in the SPLY. This change was largely due to (i) the lower level of production, and (ii) the approximate 50% rate reduction in United States dollars terms for Wigton Phase II which had an overall impact on sales revenue in Jamaican dollars of \$81.5 million or 12.2%.

Total revenue for the year-to-date period was \$1.3 billion representing a \$186.7 million, or 12.7% decrease when compared to the amount earned in the SPLY. This change was largely due to (i) the lower level of production, and (ii) the approximate 50% rate reduction in United States dollars for Wigton Phase II which had an overall impact on the sales revenue in Jamaican dollars of \$169.3 million or 12.2%.

Expenses

Total expenses for the year-to-date period increased by 2.7% or \$27.1 million above the SPLY primarily as a result of increased maintenance costs, salaries and insurance premiums. In terms of increased maintenance, a number of these activities were carried over from previous periods due to supply chain delays in spare parts arrival.

ASSETS, LIABILITY AND EQUITY

Description	6 Months – April to September 2021	6 Months – April to September 2020	Change
	\$'000	\$'000	(%)
Non-current Assets	6,838,897	7,279,394	(6.1)
Current Assets	4,197,698	3,879,997	8.2
Total Assets	11,036,595	11,159,391	(1.1)
Non-current liabilities	6,455,751	6,285,762	(2.7)
Current liabilities	119,892	988,284	87.9
Total liabilities	6,575,643	7,274,046	9.6
Equity	4,460,952	3,885,345	14.8
Total equities and liabilities	11,036,595	11,159,391	1.1

There was a 6.1% decrease in non-current assets because of the depreciation of the Company's fixed assets. Current assets increased by \$317.7 million or 8.2%, mainly due to the increase in cash and cash equivalents by \$461.5 million or 13.1% over the \$3.5 billion at the end of the SPLY.

Wigton Windfarm Limited

Interim Report to Shareholders

Quarter Ended 30 September 2021

As a result of the combined net effect in change in current and non-current assets, Wigton closed the second quarter with total assets of \$11.0 billion, a decrease of \$122.8 million or 1.1% compared to the \$11.2 billion in the SPLY.

Wigton's continued profitable operations has further strengthened the Company's balance sheet and enhanced its financial flexibility to grow the business from business initiatives being pursued.

Total liabilities in the second quarter were \$6.6 billion, a decrease of \$698.4 million or 9.6% lower than the SPLY at \$7.3 billion. The change occurred mainly as a result of the repayment of Bond A of \$710 million in December 2020 and an increase in deferred tax liability of \$178.9 million.

Shareholders' equity at period end was \$4.5 billion, an increase of \$575.6 million or 14.8% above the SPLY's equity of \$3.9 billion.

OUTLOOK

Wigton's primary objectives for the 2021/2022 financial year and beyond remains the expansion of the Company, increasing profitability and value for shareholders. While focusing on the core business as the anchor, the Company has been aggressively exploring business opportunities in non-traditional areas as it seeks to diversify its revenue base.

Wigton continues discussions with the Government of Jamaica (GOJ) and relevant regulatory authorities around the timing of the next Request for Proposal (RFP) for the addition of new Renewable Energy (RE) generation to the national grid. Based on the Integrated Resource Plan, there is the need for RE generation if the GOJ is to meet its Vision 2030 objective of achieving 30% generation from RE. Wigton, as the largest RE provider in Jamaica, stands ready to participate in the next RFP and support Jamaica's effort to reduce Green House Generated emissions, while also reducing the cost of electricity to consumers and saving precious foreign exchange currently spent on expensive fossil fuel.

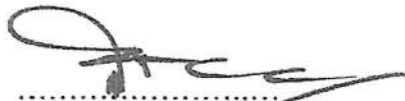
Wigton has adjusted and modified its operations to cope with the Covid-19 pandemic and the challenges it presents. The Company, however, remains resolute in the strength of its plans and initiatives to ensure the continuity of its core operations and the diversification of its business.

The Wigton team continues to work assiduously, to ensure profitable outcomes. We extend our gratitude to the team members and our stakeholders who remain confident, faithful, and committed to the Company.

Wigton Windfarm Limited
Interim Report to Shareholders
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CORPORATE SOCIAL RESPONSIBILITY

Wigton's corporate social responsibility initiatives focus primarily on areas that impact the environment and social development, including education, crime prevention, community development and environmental preservation and protection. The Company continues to seek ways to positively impact its stakeholders through contributions to social development.



.....
Oliver W. Holmes
Chairman



.....
Earl Barrett
Managing Director

Wigton Windfarm Limited
Statement of Comprehensive Income
Quarter Ended 30 September 2021 (Unaudited)
 (Expressed in Jamaican dollars unless otherwise indicated)

	Quarter Ended September 2021 \$'000 Unaudited	Quarter Ended September 2020 \$'000 Unaudited	Six Months Ended September 2021 \$'000 Unaudited	Six Months Ended September 2020 \$'000 Unaudited	March 2021 \$'000 Audited	
Sales	572,564	612,849	1,209,192	1,363,741	2,592,054	
Cost of sales	(204,581)	(205,128)	(417,989)	(412,818)	(789,097)	
Gross Profit	367,983	407,721	791,203	950,923	1,802,957	
Other income	29,667	39,746	76,352	108,524	217,846	
General administrative expenses	(141,357)	(109,607)	(316,054)	(201,797)	(490,708)	
Operating Profit	256,293	337,860	551,501	857,650	1,530,095	
Finance expense	(117,164)	(133,866)	(233,107)	(257,979)	(503,089)	
Profit before Taxation	139,129	203,994	318,394	599,671	1,027,006	
Taxation	(33,391)	(48,959)	(76,415)	(143,921)	(234,305)	
Net Profit	105,738	155,035	241,979	455,750	792,701	
Earning per stock unit for profit attributable to the equity holders of the Company during the period	4	\$0.010	\$0.014	\$0.022	\$0.041	\$0.07

Wigton Windfarm Limited
Statement of Financial Position
Quarter Ended 30 September 2021 (Unaudited)
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	September 2021 \$'000 Unaudited	September 2020 \$'000 Unaudited	March 2021 \$'000 Audited
Non-Current Assets				
Property, plant and equipment		6,700,381	7,121,910	6,913,397
Rights-of-use asset		138,516	157,484	149,936
		<u>6,838,897</u>	<u>7,279,394</u>	<u>7,063,333</u>
Current Assets				
Inventories		12,567	7,234	8,033
Accounts receivable		202,088	283,867	434,051
Taxation recoverable		2,817	70,182	51,167
Cash and cash equivalents	5	3,980,229	3,518,714	3,241,427
		<u>4,197,698</u>	<u>3,879,997</u>	<u>3,734,678</u>
Current Liabilities				
Accounts payable		82,727	240,084	79,743
Current portion of lease liability		16,405	15,248	16,405
Current portion of long term liabilities		20,766	732,952	20,760
		<u>119,892</u>	<u>988,284</u>	<u>116,908</u>
Net Current Assets		<u>4,077,806</u>	<u>2,891,713</u>	<u>3,617,770</u>
		10,916,703	10,171,107	10,681,103
Equity				
Share capital		202,598	202,598	202,598
Retained earnings		4,258,354	3,682,747	4,016,375
		<u>4,460,952</u>	<u>3,885,345</u>	<u>4,218,973</u>
Non-Current Liabilities				
Capital grants		52,655	72,830	62,743
Lease liabilities		139,986	151,351	145,905
Long term liabilities	6	5,588,869	5,569,613	5,579,241
Post-employment benefit obligation		33,158	25,357	33,158
Pension plan liabilities		818	5,279	818
Deferred tax liabilities		640,265	461,332	640,265
		<u>6,455,751</u>	<u>6,285,762</u>	<u>6,462,130</u>
		10,916,703	10,171,107	10,681,103

Approved for issue by the Board of Directors on November 10, 2021 and signed on its behalf by:


.....
Oliver W. Holmes Chairman


.....
Earlington Barrett Managing Director

Wigton Windfarm Limited
Statement of Changes in Equity
Quarter Ended 30 September 2021 (Unaudited)
 (Expressed in Jamaican dollars unless otherwise indicated)

	Number of Shares '000	Share Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 April 2020	11,000,000	202,598	3,254,497	3,457,095
Net profit	-	-	455,750	455,750
	11,000,000	202,598	3,710,247	3,912,845
Transactions with Owners:				
Dividends Paid			(27,500)	(27,500)
Balance at 30 September 2020	11,000,000	202,598	3,682,747	3,885,345

	Number of Shares '000	Share Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 April 2021	11,000,000	202,598	4,016,375	4,218,973
Net profit	-	-	241,979	241,979
Balance at 30 September 2021	11,000,000	202,598	4,258,354	4,460,952

Wigton Windfarm Limited
Statement of Cash Flows
Quarter Ended 30 September 2021 (Unaudited)
(Expressed in Jamaican dollars unless otherwise indicated)

	Note	September 2021 \$'000 Unaudited	September 2020 \$'000 Unaudited	March 2021 \$'000 Audited
SOURCES OF CASH:				
Operating Activities				
Net profit		241,979	455,750	792,701
Items not affecting cash:				
Depreciation		340,222	337,353	679,501
Write off Asset		28	-	779
Interest income		(57,693)	(46,887)	(91,173)
Interest expense		223,480	247,924	479,266
Interest charge on lease liability		-	-	4,568
Pension plan liability		-	-	(5,919)
Post-employee benefit obligation		-	-	4,828
Taxation		76,415	143,921	234,305
Amortisation of upfront fees		9,628	9,628	19,255
Amortisation of right of use		5,501	5,502	15,096
Amortisation of grant		(10,088)	(10,088)	(20,174)
Exchange (gain)/loss on foreign balances		(7,432)	(51,550)	(81,360)
		822,040	1,091,553	2,031,673
Change in operating assets and liabilities:				
Inventory		(5,333)	(304)	(1,103)
Accounts receivable		81,778	(5,526)	(150,998)
Accounts payable		(157,356)	90,581	(2,362)
Due to parent company		-	-	(19,459)
		741,129	1,176,304	1,857,751
Tax paid		(29,221)	(3,950)	(83,187)
Cash provided by/ (used in) operating activities		711,908	1,172,354	1,774,564
Financing Activities				
Loans repaid		-	-	(710,000)
Lease paid during the year		(8,878)	(9,523)	(16,405)
Interest paid		(223,500)	(245,150)	(478,764)
Dividend paid		-	(27,500)	(27,500)
Cash used in financing activities		(232,378)	(282,173)	(1,232,669)
Investing Activities				
Purchase of property, plant and equipment		(79,292)	(164,483)	(159,084)
Interest received		53,842	61,722	97,512
Cash used in investing activities		(25,450)	(102,761)	(61,572)
(Decrease)/increase in cash and cash equivalents		454,080	787,420	480,323
Exchange gains on cash and cash equivalents		7,432	51,550	81,360
Cash and cash equivalents at beginning of year		3,518,714	2,679,744	2,679,744
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	5	3,980,226	3,518,714	3,241,427

Wigton Windfarm Limited
Notes to the Financial Statements
Quarter Ended 30 September 2021 (Unaudited)
(Expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

Wigton is incorporated and domiciled in Jamaica. The Company was incorporated on April 12, 2000. It was formerly a wholly owned subsidiary of the Petroleum Corporation of Jamaica. On 22 May 2019, the Company became a publicly listed entity on the Jamaica Stock Exchange's Main Market. The principal activity of the Company is the generation and sale of electricity from wind technology, with its registered office located at 36 Trafalgar Road, Kingston 10, St. Andrew.

Impact of COVID 19

Beginning in January 2020, global financial markets experienced and continue to experience significant volatility resulting from the spread of the novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. In response to this, the Company has implemented several health and safety protocols to protect its employees and stakeholders which it continues to monitor and enforce. COVID-19 has also impacted the lead times for the delivery of spare parts necessary for scheduled maintenance and repairs of the Company's plants. The delays currently being experienced could have negative medium-term effects, due to the inability to carry out preventative maintenance to eliminate component failures and further cascading consequences.

Management continues to closely monitor the situation and adhere to the various government protocols and advice.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with and comply with IFRS and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on managements' best knowledge of current events and action, actual results could differ from those estimates.

Wigton Windfarm Limited
Notes to the Financial Statements
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 (Expressed in Jamaican dollars unless otherwise indicated)

3. Property, plant and equipment and depreciation

All property, plant and equipment are recorded at cost less accumulated depreciation. Depreciation is calculated on the straight-line basis to write off the cost of each such property, plant and equipment, to its residual value over its estimated useful life as follows:

Plant	20 years
Computers	5 years
Service equipment	20 years
Furniture, fixtures and equipment	10 years
Motor vehicles	5 years
Training lab	20 years

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 September 2021 \$'000	Quarter Ended September 2020 \$'000
Net profit attributable to ordinary shareholders	<u>241,979</u>	<u>455,750</u>
Weighted average number of ordinary shares in issue	<u>11,000,000,000</u>	<u>11,000,000,000</u>
Basic earnings per share	<u>\$0.022</u>	<u>\$0.041</u>

5. Cash and cash equivalents

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

	Quarter Ended September 2021 \$'000	Quarter Ended September 2020 \$'000
Cash at bank and cash in hand	17,141	11,327
Short term deposits	722,184	1,216,805
Deposits	<u>3,240,901</u>	<u>2,290,582</u>
	<u>3,980,226</u>	<u>3,518,714</u>

Wigton Windfarm Limited
Notes to the Financial Statements
Quarter Ended 30 September 2021 (Unaudited)
 (Expressed in Jamaican dollars unless otherwise indicated)

6. Long Term Liabilities

	Quarter Ended September 2021 \$'000	Quarter Ended September 2020 \$'000
(i) Senior Secured Bonds:		
Series A – Due December 14, 2020	-	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>(49,718)</u>	<u>(68,973)</u>
	5,588,869	6,279,614
Add: Interest Payable	<u>20,760</u>	<u>22,951</u>
	5,609,629	6,302,565
Less: Current portion	<u>(20,760)</u>	<u>(732,952)</u>
	<u><u>5,588,869</u></u>	<u><u>5,569,613</u></u>

In December 2018, the Company launched a private placement of Bonds to raise J\$6,348,586,690.42. The placement was successful and applied to repay in full the loans owing to the PetroCaribe Development Fund. On December 9, 2020, Wigton paid its first Bond, Series A, from its accumulated cash resources.

Shareholdings of Top Ten (10) Shareholders, Directors and Senior Officers as of 30 September 2021

10 Largest Shareholders of Wigton Windfarm Limited as at September 30, 2021

	Name of shareholder	Units	Percentage
1	Mayberry Jamaican Equities Limited	1,101,133,121	10.0103%
2	Victoria Mutual Building Society	1,051,706,322	9.5610%
3	National Insurance Funds	706,797,283	6.4254%
4	ATL Group Pension Fund Trustees NOM Limited	541,075,964	4.9189%
5	Sagicor Investments Jamaica- Account #1388842	490,192,711	4.4563%
6	Geoffrey Ford	152,479,562	1.3862%
7	Sagicor Equity Fund	111,782,470	1.0162%
8	Prime Asset Management -Pooled Equity Fund	82,286,475	0.7481%
9	MF&G Asset Management Limited-Jamaica Investment Fund	79,939,436	0.7267%
10	Prime Asset Management JPS Employees Superannuation Fund	71,730,000	0.6521%

Shareholdings of Directors and their Connected Parties as at September 30, 2021

Shareholdings of Directors	Direct	Connected Parties	Total
Oliver Holmes	-	1,000,000	1,000,000
Earl Barrett	2,000,000	-	2,000,000
Nigel Davy	-	-	-
Dennis Chung	2,500,000	-	2,500,000
Jacqueline Stewart Lechler	8,730,000	8,730,000	17,460,000
M Georgia Gibson Henlin	-	600,000	600,000
Gregory Shirley	2,000,000	-	2,000,000
Hugh Johnson	160,000	-	160,000
Omar Azan	-	-	-
Dan Theoc	10,853,500	-	10,853,500

Shareholdings of Senior Executives and their Connected Parties as at September 30, 2021

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
Shaneek Clacken	-	-	-