

CACAO HOLDINGS LTD

FINANCIAL REPORTS

Period ended September 30, 2023

Prepared by: **Kurt Leslie**

Ann Douglas-Johnson

Bejonny Gardener

Kevin Allison

Reviewed by: **Ricoy McIntosh**

Date **:** **October 20, 2023**

TABLE OF CONTENTS	Page
1. Financial and Operating Highlights Month and YTD.....	3-4
2. Current Month Consolidated Income Statement vs. Budget and vs. Prior Year.....	5
3. YTD Consolidated Income Statement vs. Budget and vs. Prior Year	6
4. Discussion and Analysis Actual vs. Budget Month and YTD.....	7-18
5. Segment Breakdown Month and YTD.....	19
6. Consolidated Balance Sheet	20
7. Cash Flow.....	21
8. Loan Summary	22-23

Current month operational data

September 30, 2023

Operational Data (US\$000)	Actual	Budget	Var	%	2022	Var	%
JEP							
Generation (GWh)	44.61	16.32	28.3	173%	39.90	5	12%
Availability (%)	91%	93%	-2%	-2%	84%	7%	9%
Capacity Factor (%)	50%	18%	32%	177%	45%	5%	12%
Heat Rate (LHV)	8,191	8,200	9.5	0%	8,568	377	4%
TH's BBLS consumption	61.4	22.4	(38.9)	-173%	57.4	(4)	-7%
BBLS average cost	91.2	68.1	(23.1)	-34%	86.5	(5)	-5%
Platts to JPS	82.7	64.5	18.2	28%	83.3	(1)	-1%
Platts from Petrojam	82.7	64.5	(18.2)	-28%	83.3	1	1%

WKPP

Generation (GWh)	29.39	35.37	(6.0)	-17%	36.22	(7)	-19%
Availability (%)	68%	93%	-26%	-27%	83%	-15%	-18%
Capacity Factor (%)	62%	75%	-13%	-17%	77%	-14%	-19%
Heat Rate (LHV)	8,151	8,122	(29.0)	0%	8,083	(68)	-1%
TH's BBLS consumption	40.3	56.4	16.1	29%	47.9	8	16%
BBLS average cost	93.6	68.7	(25.0)	-36%	85.9	(8)	-9%
Platts to JPS	86.7	64.5	22.2	34%	81.8	5	6%
Platts from Petrojam	86.7	64.5	(22.2)	-34%	81.8	(5)	-6%

JPPC

Generation (GWh)	28.54	20.30	8.2	41%	19.19	9	49%
Availability (%)	91%	93%	-2%	-2%	80%	11%	14%
Capacity Factor (%)	66%	50%	16%	32%	44%	22%	49%
Heat Rate (LHV)	7,903	7,786	(117.0)	-2%	8,045	142	2%
TH's BBLS consumption	38.2	31.8	(6.4)	-20%	26.0	(12)	-47%
BBLS average cost	105.6	81.3	(24.3)	-30%	105.1	(1)	-1%
Platts to JPS	84.3	61.3	23.0	37%	85.5	(1)	-1%
Platts from Petrojam	84.3	61.3	(23.0)	-37%	85.1	1	1%

Prices (US\$/MWh)	Actual	Budget	Var	%	2022	Var	%
JEP							
Variable Fuel Sales	125.08	93.31	31.77	34%	118.68	6.40	5%
Variable O&M Sales	28.06	26.25	1.81	7%	26.62	1.44	5%
Fixed Payment Sales (\$/MW-mo)*	21.29	20.25	1.04	5%	20.60	0.69	3%
Variable Fuel Cost	127.32	95.01	(32.31)	-34%	125.06	(2.26)	-2%
Variable Margin	0.58	1.50	(0.93)	-62%	0.51	0.07	14%

WKPP

Variable Fuel Sales	132.14	94.30	37.84	40%	118.36	13.78	12%
Variable O&M Sales	18.54	17.68	0.86	5%	17.84	0.70	4%
Fixed Payment Sales (\$/MW-mo)*	28.00	28.26	(0.25)	-1%	29.27	(1.27)	-4%
Variable Fuel Cost	134.11	93.98	(40.13)	-43%	118.52	(15.59)	-13%
Variable Margin	0.56	0.51	0.06	11%	0.49	0.08	16%

JPPC

Variable Fuel Sales	143.95	108.86	35.10	32%	161.40	(17.45)	-11%
Variable O&M Sales	16.12	15.88	0.24	2%	15.55	0.57	4%
Fixed Payment Sales (\$/MW-mo)*	17.89	17.71	0.17	1%	19.96	(2.07)	-10%
Variable Fuel Cost	141.42	99.64	(41.78)	-42%	146.47	5.05	3%
Variable Margin	0.65	1.24	(0.58)	-47%	1.59	(0.93)	-59%

YTD Operational data

Operational Data (US\$000)	Actual	Budget	Var	%	2022	Var	%
JEP							
Generation (GWh)	296.96	183.33	113.6	62%	262.28	35	13%
Availability (%)	90%	91%	-1%	-1%	86%	4%	5%
Capacity Factor (%)	36%	23%	13%	58%	32%	4%	13%
Heat Rate (LHV)	8,255	8,200	(55.4)	-1%	8,288	33	0%
TH's BBLs consumption	412.1	252.1	(160.1)	-64%	366	(46)	-13%
BBLs average cost	80.8	68.3	(12.5)	-18%	94.2	13	14%
Platts to JPS	74.1	64.7	9.4	15%	91.5	(17)	-19%
Platts from Petrojam	74.1	64.7	(9.4)	-15%	91.5	17	19%

WKPP

Generation (GWh)	322.40	321.30	1.1	0%	311.78	11	3%
Availability (%)	85%	89%	-4%	-5%	85%	0%	0%
Capacity Factor (%)	77%	75%	3%	3%	73%	5%	7%
Heat Rate (LHV)	8,102	8,122	20.0	0%	8,127	25	0%
TH's BBLs consumption	453.9	437.6	(16.3)	-4%	427.2	(27)	-6%
BBLs average cost	81.3	68.9	(12.4)	-18%	96.8	16	16%
Platts to JPS	73.4	64.7	8.7	13%	93.0	(20)	-21%
Platts from Petrojam	73.4	64.7	(8.7)	-13%	93.0	20	21%

JPPC

Generation (GWh)	202.33	185.84	16.5	9%	153.14	49	32%
Availability (%)	84%	86%	-2%	-3%	82%	3%	3%
Capacity Factor (%)	51%	50%	1%	2%	39%	13%	32%
Heat Rate (LHV)	7,903	7,786	(117.0)	-2%	7,921	18	0%
TH's BBLs consumption	268.7	231.1	(37.6)	-16%	211	(58)	-28%
BBLs average cost	91.6	81.5	(10.1)	-12%	111.1	19	18%
Platts to JPS	70.2	61.5	8.8	14%	89.6	(19)	-22%
Platts from Petrojam	70.2	61.5	(8.8)	-14%	89.6	19	22%

Prices (US\$/MWh)	Actual	Budget	Var	%	2022	Var	%
-------------------	--------	--------	-----	---	------	-----	---

JEP

Variable Fuel Sales	111.43	93.55	17.88	19%	129.35	(17.9)	-14%
Variable O&M Sales	27.93	25.96	1.97	8%	26.09	1.8	7%
Fixed Payment Sales (\$/MW-mo)*	21.31	20.31	1.01	5%	20.52	0.8	4%
Variable Fuel Cost	113.97	95.22	(18.75)	-20%	132.65	18.7	14%
Variable Margin	0.09	0.13	(0.05)	-35%	0.09	(0.00)	-2%

WKPP

Variable Fuel Sales	114.76	94.56	20.20	21%	133.69	(18.9)	-14%
Variable O&M Sales	18.84	17.46	1.38	8%	17.35	1.5	9%
Fixed Payment Sales (\$/MW-mo)*	27.88	28.16	(0.28)	-1%	28.26	(0.4)	-1%
Variable Fuel Cost	115.21	94.27	(20.94)	-22%	134.86	19.6	15%
Variable Margin	0.06	0.06	(0.00)	-3%	0.05	0.01	10%

JPPC

Variable Fuel Sales	135.07	112.88	22.18	20%	174.15	(39.1)	-22%
Variable O&M Sales	15.94	15.78	0.17	1%	15.22	0.7	5%
Fixed Payment Sales (\$/MW-mo)*	17.75	17.64	0.11	1%	18.08	(0.3)	-2%
Variable Fuel Cost	120.80	100.40	(20.40)	-20%	150.14	29.3	20%
Variable Margin	0.15	0.15	(0.00)	-2%	0.26	(0.11)	-42%

Current Month Consolidated Income Statement vs. Budget and vs. Prior Year

September 30, 2023

Income Statements - US\$'000	Actual	Budget	Var	%	2022	Var	%
Revenues							
Fixed Payment Income	5,545	5,368	177	3%	5,518	27	0%
Variable Fuel	13,573	7,068	6,505	92%	12,120	1,453	12%
Variable O&M	2,304	1,406	898	64%	2,086	218	10%
Electric Mobility Sales	3	-	3	100%	(0)	3	-687%
Total revenues	21,425	13,842	7,583	55%	19,724	1,701	9%
Variable costs							
Fuel	13,764	6,898	(6,866)	-100%	11,930	(1,834)	-15%
Energy Purchase	1	-	(1)	100%	3	2	58%
Variable margin	7,660	6,944	716	10%	7,791	(131)	-2%
Fixed costs							
<u>O&M</u>							
Maintenance Expenses	1,510	988	(522)	-53%	1,627	117	7%
Lubricants & Chemicals	611	376	(235)	-62%	567	(44)	-8%
<u>Labor</u>							
Plants	1,214	1,125	(89)	-8%	1,048	(166)	-16%
Head Office	181	188	7	4%	162	(19)	-12%
<u>G&A</u>							
Plants G&A	274	268	(6)	-2%	322	48	15%
Head Office G&A	83	58	(25)	-44%	87	4	5%
Legal Fees	3	4	1	33%	-	(3)	100%
Insurance	586	400	(186)	-47%	488	(98)	-20%
Other (Income) Expense	65	8	(57)	-702%	89	24	27%
Total fixed costs	4,526	3,415	(1,111)	-33%	4,389	(137)	-3%
EBITDA	3,134	3,529	(395)	-11%	3,402	(268)	-8%
D&A	1,773	1,674	(99)	-6%	1,751	(22)	-1%
Interests Expenses	888	578	(310)	-54%	746	(142)	-19%
Interest Income	(334)	(13)	321	-2446%	(199)	135	-68%
Income before taxes	807	1,290	(483)	-37%	1,104	(297)	-27%
Income tax	432	430	(2)	0%	335	(97)	-29%
Net Income	375	860	(485)	-56%	769	(394)	-51%

YTD Consolidated Income Statement vs. Budget and vs. Prior Year

Income Statements - US\$'000	Actual	Budget	Var	%	2022	Var	%
Revenues							
Fixed Payment Income	49,783	48,277	1,506	3%	48,804	979	2%
Variable Fuel	97,417	68,513	28,904	42%	102,279	(4,862)	-5%
Variable O&M	18,246	13,567	4,679	34%	15,366	2,880	19%
Electric Mobility Sales	24	-	24	100%	4	20	490%
Total revenues	165,470	130,357	35,113	27%	166,453	(983)	-1%
Variable costs							
Fuel	95,568	66,406	(29,162)	-44%	99,514	3,946	4%
Energy Purchase	13	-	(13)	100%	6	(7)	-127%
Variable margin	69,889	63,951	5,938	9%	66,933	2,956	4%
Fixed costs							
<u>O&M</u>							
Maintenance Expenses	11,635	15,481	3,846	25%	14,257	2,622	18%
Lubricants & Chemicals	5,335	3,569	(1,766)	-49%	3,663	(1,672)	-46%
<u>Labor</u>							
Plants	10,941	10,641	(300)	-3%	9,462	(1,479)	-16%
Head Office	2,096	1,962	(134)	-7%	1,812	(284)	-16%
<u>G&A</u>							
Plants G&A	2,214	2,746	532	19%	1,905	(309)	-16%
Head Office G&A	832	900	68	8%	910	78	9%
Legal Fees	17	28	11	39%	5	(12)	-227%
Insurance	4,064	3,491	(573)	-16%	3,726	(338)	-9%
Other (Income) Expense	237	101	(136)	-135%	(1,328)	(1,565)	118%
Total fixed costs	37,371	38,919	1,548	4%	34,412	(2,959)	-9%
EBITDA	32,518	25,032	7,486	30%	32,521	(3)	0%
D&A	15,856	15,217	(639)	-4%	15,528	(328)	-2%
Interests Expenses	6,445	4,808	(1,637)	-34%	5,008	(1,437)	-29%
Interest Income	(356)	(118)	238	-201%	(404)	(48)	12%
Income before taxes	10,573	5,125	5,448	106%	12,389	(1,816)	-15%
Income tax	3,622	1,708	(1,914)	-112%	4,725	1,103	23%
Net Income	6,951	3,417	3,534	103%	7,664	(713)	-9%

Discussion and Analysis Actual vs. Budget

Variable Margin – Month

	JEP			WKPP			JPPC			Fuel Valuation Adjustment			Total		
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Fixed Payment Income	2,648	2,519	129	1,834	1,851	(17)	1,063	999	64	-	-	-	5,545	5,368	177
Fuel Margin	(100)	(28)	(72)	(58)	11	(69)	72	187	(115)	(106)	-	(106)	(191)	170	(361)
Variable O&M	1,252	428	824	545	625	(80)	507	352	155	-	-	-	2,304	1,406	898

JEP's positive fixed income payment variance is due to higher than budgeted KMA CPI and US GDP adjusted Price index.

JPPC's positive fixed payment income variance is due to higher than budgeted dependable capacity of 59.42 MW versus 56.39MW.

WKPP's lower than budgeted capacity adjustments accounted for the negative variance in their fixed payment income.

Fuel margin is below budget by \$361k. JPPC's lower fuel margin (\$115k) is due to heat rate differential between what was billed to JPS (8,041) and based on actual consumption (7,903). JEP's lower fuel margin (\$72k) is due to higher than budgeted diesel and fuel analysis costs. WKPP's lower fuel margin (\$69k) is due to higher than budgeted heat rate (actual 8,151 vs budget 8,122). There is also a negative variance of \$106k due to fuel valuation adjustment across all entities using the weighted average method, to ensure consistency with the group policy.

The higher than budgeted variable O&M is due mainly to positive variance at:

- JEP (\$824k) caused by higher than budgeted power generation (actual 44.61 Gwh vs budget 16.32 Gwh).
- JPPC (\$155k) caused by higher than budgeted power generation (actual 28.54 Gwh vs budget 20.30 Gwh) and higher than budgeted supplemental payment – unit start (\$17k).

Variable Margin - YTD

	JEP			WKPP			JPPC			Fuel Valuation Adjustment			Total		
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Fixed Payment Income	23,856	22,727	1,129	16,435	16,598	(163)	9,491	8,951	540	-	-	-	49,783	48,277	1,506
Fuel Margin	(755)	(305)	(450)	(145)	93	(238)	2,887	2,320	567	(139)	-	(139)	1,849	2,107	(258)
Variable O&M	8,293	4,759	3,534	6,073	5,610	463	3,879	3,197	682	-	-	-	18,246	13,567	4,679

JEP's positive fixed payment income variance is due to higher than budgeted KMA CPI (actual 8,927 vs budget 8,010) and US GDP adjusted Price index (actual 169.3 vs budget 161.04). JPPC's positive variance is due to higher than budgeted dependable capacity of 59.42 MW versus 56.39MW. WKPP's lower than budgeted capacity adjustments accounted for the negative variance in YTD fixed payment income.

Fuel margin was below budget by \$258k. JEP's lower fuel margin (\$450k) is due to higher than budgeted heat rate (actual 8,255 vs budget 8,200). WKPP's lower fuel margin (\$238k) is due to the LHV impact of fuel consumed. There is also a negative variance of \$139k due to fuel valuation adjustment across all entities using the weighted average method, as stated above. These were offset partially by JPPC's higher fuel margin (\$567k), which is due to heat rate differential between what was billed to JPS (8,707) and based on actual consumption (7,912).

The higher than budgeted variable O&M is due mainly to positive variance at:

- JEP (\$3,534k) caused by higher than budgeted power generation (actual 296.96 Gwh vs budget 183.33 Gwh).
- JPPC (\$682k) caused mainly by higher than budgeted supplemental unit payment (\$387k) and higher than budgeted power generation (actual 202.33 Gwh vs 185.84 Gwh).
- WKPP (\$463k) caused by higher than budgeted CPI.

Fixed Cost – Month

	JEP			WKPP			JPPC			EVP			Total		
O&M	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Maintenance Expenses	211	481	270	845	228	(617)	454	279	(175)	-	-	-	1,510	988	(522)
Lubricants & Chemicals	210	93	(117)	91	88	(3)	310	195	(115)	-	-	-	611	376	(235)

The negative variance in Maintenance Expenses for the month of \$522k is due to:

- Negative variance at WKPP (\$617k) due to:
 - (1) Negative variance of \$422k on Minor Maintenance Cost mainly due to timing difference in the T1 & T2 transformer oil change.
 - (2) Negative variance of \$247k on DG#3 72k Overhaul as it was brought forward from 2024 due to increased running hours.
- Negative variance at JPPC (\$175k) due mainly to:
 - (1) Negative variance on Engine – Planned (\$227k) caused by timing difference of repair to DG#2 camshaft coupling in chain casing, offset partially by
- Positive variance at JEP (\$270k) due to:
 - (1) Positive variance of \$333k on Minor Maintenance costs partly due to reversal of accruals of costs booked earlier in the year, reduced by
 - (2) Negative variance of \$109k for Major Maintenance due to costs realised for DG#2 144k overhaul.

The negative variance on Lubricants & Chemicals (\$235k) is due to:

- (1) Higher than budgeted lube oil costs at JEP (\$115k) and JPPC (\$53k).
- (2) Higher than budgeted cylinder oil costs (\$72k) at JPPC.

Fixed Cost – YTD

	JEP			WKPP			JPPC			EVP			Total		
O&M	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Maintenance Expenses	4,075	5,942	1,867	4,707	5,073	366	2,851	4,466	1,615	2	-	(2)	11,635	15,481	3,846
Lubricants & Chemicals	1,755	887	(868)	1,259	900	(359)	2,321	1,782	(539)	-	-	-	5,335	3,569	(1,766)

The positive variance in Maintenance Expenses YTD of \$3,846k is due to:

- Positive variance at JEP (\$1,867k) mainly due to:
 - (1) Positive variance of \$1,065k on Minor Maintenance costs caused by lower than budgeted Parts Engine – Planned and Parts Auxiliary – Planned costs.
 - (2) Timing difference on DG#2 144k Maintenance Overhaul costs (\$387k). This overhaul was budgeted to be done in April 2023 but was done during 2022, as the overhaul was brought forward and completed because of increased run hours on the unit.
 - (3) Lower than budgeted reconditioning costs (\$268k)
 - (4) Lower than budgeted costs for DG#3 168k major overhaul (\$210k).
- Positive variance at JPPC (\$1,616k) mainly due to:
 - (1) Positive variance on Auxiliary – Planned (\$700k) due to rescheduled boiler tube inspection and repairs.
 - (2) Positive variance on Steam Turbine (\$570k) because of rescheduled Steam Turbine Annual Inspection (run hours based).
 - (3) Positive variance on Building Maintenance (\$265k) mainly because of timing difference in Corrosion Prevention painting.
- Positive variance at WKPP (\$366k) mainly due to:
 - (1) Positive variances on Minor Maintenance costs (\$1,016k) including Contract Maintenance Planned (\$687k) and Parts – Auxiliary Planned (\$276k), offset partially by
 - (2) Negative variance of \$251k on Planned turbocharger overhaul due to higher than budgeted repair costs.
 - (3) Negative variance of \$247k on DG#3 72k Overhaul brought forward from 2024 as stated above.
 - (4) Negative variance of \$160k on DG#4 72k Overhaul due to higher than budgeted reconditioning costs.

The negative variance on Lubricants & Chemicals (\$1,766k) is due to:

- (1) Higher than budgeted lube oil costs at JEP (\$851k), WKPP (\$420k) and JPPC (\$295k)
- (2) Higher than budgeted cylinder oil costs at JPPC (\$349k)
- (3) Higher than budgeted chemical costs at JEP (\$17k), offset partly by
- (4) Lower than budgeted chemical costs at JPPC (\$109k), WKPP (\$61k).

Major Maintenance

Plant O&M	Units	Budgeted Major Maintenances (US\$000)											
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
JEP	DG#3 168k					440							
	DG#2 144k				440								
	DG#7 144k								440				
WKPP	DG#1 72k			401									
	DG#4 72k							401					
	DG#6 72k	401											
JPPC	DG#1												
Total		401	-	401	440	440	-	401	440	-	-	-	-

Plant O&M	Units	Major Maintenances Performed (US\$000)											
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
JEP	DG#3 168k	125	41			64							
	DG#2 144k	20	1	21			(80)			91			
	DG#8 144k		(3)				1						
	DG#7 144k							31	327	18			
WKPP	DG#1 72k			372	23	10	(5)						
	DG#4 72k						501	55	5				
	DG#6 72k		435	3									
	DG#3 72k									247			
JPPC	DG#1												
Total		145	474	396	23	74	417	86	332	356	-	-	-

Labour- Month

Labour Cost	Actual	Budget	Var
JEP	571	492	(79)
JPPC	315	303	(12)
WKPP	328	330	2
Head Office	181	188	7
Total	1,395	1,313	(82)

The higher than budgeted cost of \$82k for the month is a result of:

- 1) Negative variance at JEP (\$79k) due in part to higher than budgeted overtime costs (\$34k), canteen related costs (\$11k) and casual labour (\$11k).
- 2) Negative variance at JPPC (\$12k) due mainly to higher than budgeted canteen related costs (\$11k).

These variances were offset partially by

- 3) Positive variance at WKPP (\$7k) due to lower than budgeted basic salary (\$8k).

Labour- YTD

Labour Cost	Actual	Budget	Var
JEP	5,065	4,835	(230)
JPPC	2,767	2,938	171
WKPP	3,109	2,868	(241)
Head Office	2,096	1,962	(134)
Total	13,037	12,603	(434)

The higher than budgeted cost of \$434k YTD is a result of:

- 1) Negative variance at WKPP (\$241k) due mainly to higher than budgeted overtime costs (\$102k), canteen related expenses (\$96k) and casual labour (\$77k), reduced by lower employee benefit expenses (\$16k).
- 2) Negative variance at JEP (\$230k) due to lower than budgeted exchange rate (YTD actual \$154.39 vs budget \$157.20), as well as higher than budgeted overtime costs (\$141k), life & accident insurance (\$72k) and casual labour (\$28k).
- 3) Negative variance at Head Office (\$134k) due to redundancy/separation costs (\$87k) and incentive payments (\$71k), offset partially by lower basic salary costs(\$19k)

These variances were offset partially by

- 4) Positive variance at JPPC (\$171k) due mainly to lower basic salary costs (\$134k).

Administration – Month

General Admin	Actual	Budget	Var
JEP	90	91	1
JPPC	81	68	(13)
WKPP	104	109	5
Head Office et al	83	58	(25)
Legal Fees	3	4	1
Insurance	586	400	(186)
Total	946	730	(216)

Administration cost for the month showed an unfavourable variance of \$216k.

- The negative variance of Insurance costs (\$186k) is due to higher than budgeted increase for the 2023/2024 insurance period.
- Head Office's negative variance (\$25k) is due to:
 - (i) Higher than budgeted EV Power marketing costs (\$26k).
- JPPC's negative variance (\$13k) is due mainly to:
 - i) Negative variances in CSR costs (\$6k) due to timing differences
 - ii) Negative variances in Employee training costs (\$4k)

Administration – YTD

General Admin	Actual	Budget	Var
JEP	715	862	147
JPPC	652	769	117
WKPP	847	1,115	268
Head Office et al	832	900	68
Legal Fees	17	28	11
Insurance	4,064	3,491	(573)
Total	7,127	7,165	38

Administration cost YTD showed a favourable variance of \$38k.

- WKPP'S positive variance (\$268k) is due mainly to:
 - (i) Lower than budgeted environmental related expenses (\$150k).
 - (ii) Lower than budgeted training costs (\$63k).
 - (iii) Lower than budgeted computer related expenses (\$34k).
- JEP's positive variance (\$147k) is due mainly to:
 - (i) Lower than budgeted training costs (\$80k).
 - (ii) Lower than budgeted Environmental costs (\$65k).
- JPPC's positive variance (\$117k) is due mainly to:
 - (i) Lower than budgeted professional fees (\$55k).
 - (ii) Lower than budgeted communication and Information Technology costs (\$46k).
 - (iii) Lower than budgeted vehicle expenses (\$38k), offset partially by
 - (iv) Higher than budgeted employee training costs (\$23k)
- Head Office's positive variance (\$68k) is due mainly to:
 - (i) Lower than budgeted professional fees (\$188k), offset partially by
 - (ii) Higher than budgeted EV Power marketing costs (\$61k).
 - (iii) Higher than budgeted training costs (\$49k).
 - (ii) Higher than budgeted vehicle expenses (\$25k).
- The negative variance of Insurance costs (\$573k) is due to higher than budgeted increase for the 2023/2024 insurance period.

Other (income)/Expenses – Month.

Other (Income)/Expenses	Actual	Budget	Var
JEP	36	(21)	(57)
JPPC	36	2	(34)
WKPP	47	27	(20)
Head Office	(54)	-	54
Total	65	8	(57)

Other (Income)/Expenses for the month showed an unfavourable variance of \$57k due to:

JEP's negative variance of \$57k, due mainly to reversal of insurance claim income – a reduction of prior year receivable for insurance claim. There was also an actual foreign exchange loss of \$17k versus a budgeted loss of \$3k.

JPPC's negative variance of \$34k, due to an actual foreign exchange loss of \$32k.

WKPP's negative variance of \$20k, due mainly to an actual foreign exchange loss of \$26k versus a budgeted loss of \$8k.

These variances were partially offset by:

Head Office's positive variance of \$54k due to foreign exchange gain of said \$54k.

Other (Income)/Expenses – YTD

Other (Income)/Expenses	Actual	Budget	Var
JEP	(164)	(201)	(37)
JPPC	289	60	(229)
WKPP	165	242	77
Head Office	(53)	-	53
Total	237	101	(136)

Other (Income)/Expenses YTD showed an unfavourable variance of \$136k due mainly to:

JPPC's negative variance of \$229k, due mainly to foreign exchange losses incurred (\$177k) and the write off (loss on disposal) of eight cylinder liners (\$104k), offset partially by

WKPP's positive variance of \$77k, due mainly to an actual foreign exchange loss of \$9k versus a budgeted exchange loss of \$75k, as well as gain on disposal of motor vehicle (\$30k), offset partially by higher than budgeted management fees paid to JEP (\$17k).

Depreciation, Amortisation, Interest and Taxes – Month

	JEP			WKPP			JPPC			CACAO JEP			CACAO JPPC/COL/EVP			Total		
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Depreciation and Amortization	775	685	(90)	670	647	(23)	326	342	16	(14)	-	14	16	-	(16)	1,773	1,674	(99)
Net Interest Expense (Income)	506	410	(98)	56	125	69	101	30	(72)	(109)	-	109	0	-	(0)	554	565	11
Income Tax	-	-	-	-	-	-	(27)	69	96	459	361	(98)	-	-	-	432	430	(2)

The negative variance of \$99k for Depreciation is due mainly to JEP's negative variance of \$90k, because of an adjustment to ensure alignment with the end of the PPA. This adjustment was done after the finalisation of the budget.

The positive variance of \$11k for Net interest expense/income is mainly due to higher than budgeted interest income at WKPP (\$156k), CACAO JEP (\$109k) and JEP (\$55k), from the maturity of various Certificates of Deposits. This was partially offset by higher interest expenses and financing fees in JEP (\$161k) and WKPP (\$87k) due to higher rates on the bonds and syndicated loans (actual 11.16% vs budget 8.0%), as well as higher than budgeted interest expense in JPPC (\$67k) due to working capital interest expense not budgeted.

The negative variance for taxation of \$2k is due to negative variance for CACAO JEP (\$98k), offset by positive variance for JPPC (\$96k). CACAO JEP's negative variance is due mainly to an under-accrual of FY2022 tax expenses (\$110k), which was booked in the month.

JPPC's positive variance is a result of lower than budgeted current tax expense (actual tax recoverable \$20k vs budgeted current tax expense of \$113k) due to lower than budgeted net income before tax (actual net loss of \$88k vs budgeted net income of \$207k), offset partially by lower than budgeted increase in deferred tax asset (actual increase \$7k vs budgeted increase \$44k).

Depreciation, Amortisation, Interest and Taxes – YTD

	JEP			WKPP			JPPC			CACAO JEP			CACAO JPPC/COL/EVP			Total		
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Depreciation and Amortization	6,890	6,307	(584)	5,996	5,840	(156)	2,946	3,070	124	(121)	-	121	144	-	(144)	15,856	15,216	(640)
Net Interest Expense (Income)	4,173	3,114	(1,059)	1,659	1,286	(373)	370	290	(80)	(113)	-	113	0	-	(0)	6,089	4,690	(1,399)
Income Tax	-	-	-	-	-	-	1,205	58	(1,147)	2,417	1,650	(767)	-	-	-	3,622	1,708	(1,914)

The negative variance of \$640k for Depreciation is due mainly to JEP's negative variance of \$584k, because of the adjustment to ensure alignment with the end of the PPA. This adjustment was done after the finalisation of the budget, as previously mentioned.

The negative variance of \$1,399k for Net interest expense/income is mainly due to higher than budgeted interest rates on the bonds (actual 10.79% vs budget 8.0%) and the syndicated loans (actual 10.77% vs budget 8.0%)

The negative variance for taxation of \$1,914k is due to negative variance for JPPC (\$1,147k) and for CACAO JEP (\$767k). JPPC's negative variance is a result of higher than budgeted current tax expense (actual \$1,467k vs budget \$450k) due to higher than budgeted net income before tax (actual \$3,211k vs budget \$174k). There was also a lower than budgeted increase in deferred tax asset (actual increase \$262k vs budgeted increase \$392k).

CACAO JEP's negative variance is due to higher than budgeted current tax expense (actual \$6,454k vs budget \$4,884k) due mainly to higher than budgeted net income in JEP (actual net income \$3,594k vs budget \$769k), offset partially by higher than budgeted reduction in Deferred tax liability (actual \$4,037k vs budget \$3,234k).

Segment Report Month

	JEP			WKPP			JPPC			CACAO (Holdings,JPPC & JAM), COL & EVP & Fuel Adj.			Total		
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Fixed Payment Income	2,648	2,519	129	1,834	1,851	(16)	1,063	999	64	-	-	-	5,545	5,368	177
Variable Fuel	5,580	1,523	4,057	3,884	3,335	548	4,108	2,210	1,899	-	-	-	13,573	7,068	6,504
Variable O&M	1,252	428	823	545	625	(80)	507	352	155	-	-	-	2,304	1,406	898
Electric Mobility Sales	-	-	-	-	-	-	-	-	-	3	-	3	3	-	3
Total Revenues	9,480	4,470	5,010	6,263	5,812	452	5,679	3,561	2,118	3	-	3	21,425	13,842	7,583
Fuel Cost	5,680	1,551	4,130	3,942	3,324	618	4,036	2,023	2,014	106	-	106	13,764	6,898	6,866
Energy Purchase	-	-	-	-	-	-	-	-	-	1	-	1	1	-	1
Variable Margin	3,800	2,919	880	2,321	2,487	(166)	1,643	1,538	105	(104)	-	(104)	7,660	6,944	716
O&M	421	575	153	936	316	(620)	764	474	(290)	-	-	-	2,121	1,364	(757)
Labor	752	680	(71)	328	330	2	315	303	(12)	-	-	-	1,394	1,313	(81)
G&A	533	350	(184)	192	203	11	192	177	(15)	28	-	(28)	946	730	(216)
Other (Income) Expense	36	(21)	(58)	47	27	(21)	36	2	(35)	(54)	-	54	65	8	(57)
EBITDA	2,057	1,336	721	817	1,612	(794)	337	582	(246)	(79)	-	(79)	3,134	3,529	(395)

Segment Report YTD

	JEP			WKPP			JPPC			CACAO (Holdings,JPPC & JAM), COL & EVP & Fuel Adj.			Total		
	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var	Actual	Budget	Var
Fixed Payment Income	23,856	22,727	1,129	16,435	16,598	(163)	9,491	8,951	539	-	-	-	49,783	48,277	1,506
Variable Fuel	33,091	17,152	15,939	36,999	30,383	6,616	27,328	20,978	6,349	-	-	-	97,417	68,513	28,904
Variable O&M	8,293	4,759	3,534	6,073	5,610	463	3,879	3,197	682	-	-	-	18,246	13,567	4,679
Electric Mobility Sales	-	-	-	-	-	-	-	-	-	24	-	24	24	-	24
Total Revenues	65,240	44,638	20,602	59,507	52,591	6,916	40,698	33,127	7,571	24	-	24	165,470	130,357	35,113
Fuel Cost	33,845	17,457	16,388	37,144	30,290	6,854	24,440	18,659	5,782	139	-	139	95,568	66,406	29,162
Energy Purchase	-	-	-	-	-	-	-	-	-	13	-	13	13	-	13
Variable Margin	31,395	27,181	4,214	22,363	22,301	62	16,257	14,469	1,789	(128)	-	(128)	69,889	63,951	5,938
O&M	5,829	6,829	1,000	5,966	5,973	7	5,173	6,248	1,075	2	-	(2)	16,970	19,050	2,080
Labor	7,161	6,797	(365)	3,109	2,868	(241)	2,767	2,938	171	-	-	-	13,037	12,602	(435)
G&A	3,913	3,567	(346)	1,622	1,910	288	1,500	1,689	189	92	-	(92)	7,127	7,166	39
Other (Income) Expense	(164)	(201)	(38)	165	242	77	289	60	(229)	(53)	-	53	237	101	(137)
EBITDA	14,655	10,190	4,466	11,501	11,308	193	6,528	3,534	2,994	(168)	-	(168)	32,518	25,032	7,486

Cacao Holdings
Unaudited Consolidated Balance Sheet
September 30, 2023

	Unaudited 2023	Audited December 2022
Assets		
Current assets		
Cash and cash equivalents	1,701,546	1,075,234
Restricted cash and investment	16,151,619	13,821,832
Trade and other receivables	27,419,379	20,496,063
Due from ultimate parent	315,821	315,821
Recoverable taxes	498,732	543,431
Inventories	27,777,381	27,867,405
Prepaid expenses, mainly prepaid insurance	4,309,954	5,403,148
Total current assets	<u>78,174,432</u>	<u>69,522,934</u>
Non-current assets		
Deferred Tax Asset	6,014,237	5,751,854
Right of use Asset	1,276,036	1,507,098
Intangible assets (intangible assets & goodwill)	46,273,322	47,933,706
Property, plant and equipment	82,951,175	94,241,927
Total non-current assets	<u>136,514,770</u>	<u>149,434,585</u>
Total assets	<u>214,689,202</u>	<u>218,957,519</u>
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt (incl finance lease)	18,668,917	16,927,441
Current portion Lease Liability- Right of use Asset	250,797	242,999
Trade and other payables (incl taxation payable)	38,256,833	32,555,224
Deferred Revenue	2,135	2,209
Due to Related Party - Evergo Holdings	1,061,235	589,913
Total current liabilities	<u>58,239,917</u>	<u>50,317,786</u>
Non-current liabilities		
Long-term debt (incl finance lease)	46,094,598	58,276,192
Lease Liability- Right of use Asset	1,016,034	1,249,240
Deferred income tax liabilities	22,669,344	26,706,322
Total liabilities	<u>128,019,893</u>	<u>136,549,540</u>
Equity attributable to the owner of the parent:		
Common stock	820	820
Shareholders Equity	7,303,411	7,303,411
Contributed Capital	63,014,005	63,014,005
Retained earnings	16,351,073	12,089,743
Total equity attributable to the owner of the parent	<u>86,669,309</u>	<u>82,407,979</u>
Total equity and liabilities	<u>214,689,202</u>	<u>218,957,519</u>

Cacao Holdings
Unaudited Consolidated Cash Flow
September 30, 2023

	Qtr 1 Actual	Qtr 2 Actual	July Actual	August Actual	September Actual	YTD Actual	YTD Budget
Cash flows from operating activities							
Profit before income tax	2,676,913	3,642,171	1,454,129	1,993,791	805,913	10,572,917	5,125,845
Adjustments to reconcile profit before income tax to net cash							
Cash provided by operating activities							
Depreciation and amortization	4,617,755	4,678,562	1,553,034	1,551,935	1,563,161	13,964,447	15,216,694
Amortization of Intangibles	553,461	553,461	184,488	(1,291,410)	1,660,384	1,660,384	1,709,665
Amortization of debt issuance cost	76,787	72,190	22,519	22,555	22,127	216,178	281,556
Finance costs	1,937,610	2,090,753	624,024	616,719	787,877	6,056,983	4,689,294
Loss/(Gain) in disposal of fixed assets	56,383	1,606	-	-	-	57,989	-
Changes in assets and liabilities							
Accounts receivable	1,348,782	(6,349,077)	908,375	(6,319,094)	3,487,698	(6,923,316)	686,186
Inventories	973,423	(2,415,272)	1,013,881	(2,265,880)	2,783,872	90,024	(1,617,728)
Prepaid expenses and other assets	1,138,891	(1,229,404)	986,546	(728,714)	925,875	1,093,194	129,698
Trade and other payables	(599,595)	9,210,999	(3,789,453)	6,523,007	(5,820,073)	5,524,885	5,598,666
Deferred Revenue	1,199	1,287	(162)	(2,071)	(327)	(74)	-
Due to related party - Evergo Holdings	220,910	250,412	-	-	-	471,322	-
Finance costs and taxes paid							
Interests paid	(1,339,262)	(2,611,038)	(1,185,516)	(21,896)	(423,870)	(5,581,582)	(4,699,003)
Taxes paid	(3,634,591)	(2,272,650)	-	-	(2,267,685)	(8,174,926)	(8,873,745)
Net cash provided by operating activities	8,028,666	5,624,000	1,771,865	78,942	3,524,952	19,028,425	18,247,128
Cash flows from investing activities							
Additions of property, plant and equipment	(1,264,748)	(833,939)	(95,112)	(343,635)	(246,832)	(2,784,266)	(4,744,902)
Proceeds from sale of fixed assets	52,582	-	-	-	-	52,582	-
Lease Liability - Right of Use Asset	(73,202)	(76,595)	(25,417)	(24,984)	(25,210)	(225,408)	-
Right of Use Asset	78,996	76,034	25,344	25,344	25,344	231,062	-
Restricted cash and investment	(3,325,363)	3,338,147	(7,294)	(372)	(2,334,905)	(2,329,787)	1,786,622
Net cash used in investing activities	(4,531,735)	2,503,647	(102,479)	(343,647)	(2,581,603)	(5,055,817)	(2,958,280)
Cash flows from financing activities							
Contributed Capital							
Dividend Distribution	(1,800,000)	(890,000)	-	-	-	(2,690,000)	(2,684,652)
Change in long term loans	(1,099,632)	(7,024,860)	(266,976)	(263,180)	(2,001,648)	(10,656,296)	(12,812,669)
Net cash provided by financing activities	(2,899,632)	(7,914,860)	(266,976)	(263,180)	(2,001,648)	(13,346,296)	(15,497,321)
Increase/Decrease in cash during the period	597,299	212,787	1,402,410	(527,885)	(1,058,299)	626,312	(208,473)
Cash at the beginning of period	1,075,234	1,672,533	1,885,320	3,287,730	2,759,845	1,075,234	2,054,702
Cash at the end of the period	1,672,533	1,885,320	3,287,730	2,759,845	1,701,546	1,701,546	1,846,229

Loan Summary

Type of Borrowing	Company	Issuance date	Maturity date	Issued amount	Outstanding amount as of 9/30/23	Outstanding amount as of 12/31/22	Rate	Actual 3-month SOFR rate as at 7/14/23 and 06/30/23	Rate Type
Corporate Bond	JEP	18-Jan-18	18-Jan-25	42,500,000	42,500,000	42,500,000	6.16974% + SOFR	5.03%	Variable
Syndicated Loan	JEP	14-Dec-17	14-Dec-24	20,000,000	4,291,667	6,666,667	6.09883% + SOFR	5.07%	Variable
Credit Line	JEP	8-Dec-22	8-Dec-23	5,000,000	4,000,000	5,000,000	8.00%	-	Fixed
Syndicated Loan	WKPP	14-Dec-17	14-Dec-24	63,000,000	14,720,833	21,000,000	6.09883% + SOFR	5.07%	Variable
Credit Line	WKPP	31-Mar-23	31-Mar-24	3,000,000	2,500,000	1,500,000	8.00%	-	Fixed
Bank Borrowing	JPPC	24-Sep-18	24-Sep-24	18,000,000	3,000,000	5,250,000	5.25%	-	Fixed
Total Outstanding				151,500,000	71,012,500	81,916,667			

JPPC loan facility is to be repaid in equal monthly instalments within 6 years from the date of disbursement. Interest is payable monthly, starting October 2018 at a fixed rate of 5.25%.

WKPP and JEP syndicated loan facility is to be repaid within 7 years with a moratorium of 15 months from the date of disbursement. The loan is repayable in 24 equal quarterly instalments commencing on the next interest payment date following the moratorium period. Interest is payable quarterly, starting June 30, 2023 at a variable rate of SOFR plus 5.07%.

Type of Borrowing	Company	Debt Service Coverage Ratio		Long Term Debt to Equity Ratio		Net Debt to EBITDA Ratio	
		Actual	Target	Actual	Target	Actual	Target
Syndicated Loan	JEP	2.20x	1.20x	58:42	75:25	-	-
Syndicated Loan	WKPP	1.28x	1.20x	09:91	75:25	-	-
Bank Borrowing	JPPC	2.64x	1.20x	-	-	0.2x	≤ 3.0

Company	Units	Projected Debt Service												TOTAL
		Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	
JEP	Interest	1,051,277		145,636	1,108,056		158,942	1,164,972		119,870	855,066		91,185	4,695,003
	Principal			695,833	137,500		833,333			708,333	125,000		833,333	3,333,333
WKPP	Interest				549,405		500,669			174,163	270,059		334,647	1,828,943
	Principal				2,625,000		2,625,000			1,029,167	1,595,833		2,625,000	10,500,000
JPPC	Interest	24,380	23,158	20,101	21,000	19,202	18,699	17,080	16,469	15,354	19,882	17,617	22,632	235,574
	Principal	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,000,000
Total		1,325,657	273,158	1,111,570	4,690,961	269,202	4,386,643	1,432,052	266,469	2,296,887	3,115,840	267,617	4,156,797	23,592,854