



TROPICAL
BATTERY

Interim Report 1st Quarter

Period Ended December 31, 2021

(UNAUDITED)

WE'LL COME TO YOU



REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

INDEX

1st Quarter Interim Report to our Shareholders	1
Unaudited Financial Statements:	
Statement of Financial Position - (Unaudited)	5
Statement of Profit or Loss & Other Comprehensive Income (2021 vs. 2022 Q1)	6
Statement of Statement of Changes in Shareholders' Net Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Ten Shareholders & Shareholdings of Directors, Officers and Connected parties	13

Interim Report to our Shareholders

Q1 FY2022 (Oct 1, 2021 to Dec 31, 2021)

Overview

We are grateful for a record quarter on many fronts; highest revenue, highest operating profit and the highest net income after tax ever recorded in a single quarter. Earnings per share doubled from \$0.02 a year ago to \$0.04 per share in Q1 FY 2022, another quarterly record for the company.

Tropical Battery Company took another step towards further diversifying its products and services in Q1 FY 2022 by retaining Oliver Hill to lead Tropical Mobility Limited, a new subsidiary providing electric mobility solutions. Two additional subsidiaries were created alongside Tropical Mobility, namely Tropical Energy Limited and Tropical Finance Limited, to better serve the needs of the renewable energy market, and to provide financial products and services that help expand access to electric vehicles and renewable energy systems, respectively.

Also, in Q1 FY2022, we established a partnership with one of North America's largest lithium-ion battery recyclers, positioning Tropical Battery as the go-to end-of-life solution for lithium-ion

batteries from electric vehicles and consumer electronics, thereby extending the scope of the company's existing recycling activities beyond lead acid automotive batteries. A consultant was retained to prepare the company to meet R2V3 Responsible Recycling standards, which also requires Tropical Battery to meet ISO 14001 and ISO 45001 environmental and health and safety standards. R2V3 certification will provide assurance to Tropical Battery's upstream and downstream partners that the company is handling lithium batteries in an environmentally responsible manner and improve the company's growth prospects in the recycling segment.

Community

Serving Customers

We do our best to enhance our customers' lives by providing them with quality products and services. The more customers we serve, the more impact we have. We reached over 25,000 customers this quarter, up from 23,500 customers in Q1 FY 2021 . Approximately 500 of these

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

customers are small and medium-size enterprise (SMEs), which earn a significant share of their revenue by reselling Tropical Battery's products. These valued resellers include independently owned gas stations, small auto parts stores, hardware stores and supermarkets.

Empowering Employees

We are happy to report that each of our team members received a Christmas bonus/incentive payment, and a Christmas cake. The per day lunch subsidy for staff was increased by more than 20% during the quarter, meanwhile, effective from November 1, 2021. We didn't have a lot of training conducted during the quarter, but two team members did receive training in Microsoft excel.

Our Ferry location hosted an outdoor staff Social and a farewell retirement party was held at the head office for Mr. Eric Banks, who served the company and its customers for 42 years. The celebration was attended by former Chairman Mr. Danny Melville, the Managing Director, our Senior Management Team, and several members of staff representing all our six branches, who gathered to wish Mr. Ebanks farewell.

At the end of Q1 FY 2022, Tropical Battery

had 122 team member on staff broken down by gender and age as follows:

Gender:

Female	–	40
Male	–	82

Age ranges:

20 to 39	-	51
40 to 59	-	64
60 & over	-	7

Approximately 43% of our Team Memebers now own shares in Tropical Battery, an achievement we are proud of, as it was one of our goals to broaden the ownership of the company through our IPO. We are happy that our team members continue to show this kind of material support, as shared ownership creates strong alignment.

The company continues to provide transportation to COVID-19 vaccination sites for employees to be vaccinated against the virus. Our weekly vaccination drive aims to help team members, their families, and the nearby community get vaccinated. To date the company's team is about 87% vaccinated.

REVENUE	↑	OPERATING EXPENSES	↑	EBITDA	↑	NET INCOME AFTER TAX	↑	EARNINGS PER SHARE	↑
\$662M		\$115M		\$85M		\$57M		\$0.04	
46.8%		10.4%		137.1%		197.5%		99.7%	

Preserving our Environment

Our spent battery export sales fell to 98.5 metric tons for the quarter from 175.5 metric tons in Q1 FY 2021. The vessel that usually transports our spent battery exports ceased its operations in Q1 and no replacement vessel or alternate route for our cargo was identified, resulting in the lower volume. We plan to begin exporting spent batteries again as soon as possible, with the tentative resumption date set for February 2022. Collecting and exporting spent automotive batteries has a positive impact on the local and global environment thanks to the recovery of plastic lead, and is a practice the company is expanding to include lithium batteries after establishing a downstream partner in Kingston, Ontario-based Li-Cycle, North America's largest Li-ion recovery company.

Giving Back

Here at Tropical Battery, we take our corporate social responsibility seriously and continue to seek ways to assist our surrounding communities to empower themselves while also embarking on projects that we believe will enhance the lives of all our stakeholders, generally. In keeping with this commitment, a donation was made to the University Hospital of the West Indies to increase the available beds and improve the facilities available to accommodate Covid-19 patients.

Financial Highlights

Income Statement

Our revenues increased 47% from \$451 million in Q1 FY2021 to a new quarterly record of \$662 million in Q1 FY 2022. This increase of \$211 million was achieved through an increase in balanced inventory arrivals, and a tremendous effort on the part of our sales team to surpass targets by bringing in new customers. The new quarterly record is an achievement worth celebrating and inspires us to continue working hard to set new records in the coming quarters.

Gross profit came in at \$196 million, or approximately 44% above the same period last year. The gross profit margin was 29.7% of total revenue for the quarter, slightly lower than the 30.2% margin registered in the same quarter last year. The lower gross profit margin is attributable to the number of sales promotions launched in December as the economy rebounded thanks to the relaxing of restrictions on business activities relative to the previous year. Tropical Battery closed Q1 FY 2021 with a net profit after tax of \$56.7 million. If we can maintain this momentum, we will exceed our targets for FY 2022.

Operating expenses came in at \$114.5 million or 10% above last year's \$103.8 million. We are pleased to see operating

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

expenses growing at a slower pace than revenue. We are also pleased with our new inventory management system and how it effectively manages our stock variance, and with our team's demonstrated capacity to contain administrative expenses and reduce overall delivery costs per trip.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) came in at \$84.5 million for the quarter, representing a 137% increase over EBITDA of \$35.6 million in Q1 FY 2021. This increase represents an increase of nearly \$48.9 million increase in the company's quarterly EBITDA, year-over-year. Net profit came in at \$57 million, a record in the company's history for any single quarter, and 198% above the \$19 million registered in Q1 FY 2021.

Financial Position

The material changes on the balance sheet were increases in: inventory, \$440 million, up 101.4%; receivables, \$101 million, up 34.1%; payables, \$342 million, up 153.6%, and; retained earnings, \$128 million, up 17.0%. These increases allowed us to ramp up orders, increase our inventory, deal with the current growth in sales and, at the same time, avoid any shipping or transportation delays, which we had experienced in previous quarters.

Outlook

With our more-than-adequate levels of inventory, we see a bright year ahead. We are also currently expanding our top-selling retail store, located on Grove Road, just off Half Way Tree Road in Kingston, while will allow us to increase sales at this location even further, and achieve higher profitability, given that retail margins are better than our wholesale margins, while offering greater comfort and convenience for our team members and customers with a substantial increase in square footage. We plan to increase our retail presence island-wide in the coming quarters.

We continue to evaluate acquisition targets and new organic growth opportunities to expand our product and service offering into new verticals and geographies against the backdrop of strong growth in our core business segments..

Sincerely,

Alexander Melville
Managing Director

Daniel Melville
Deputy Managing Director

REVENUE	↑	OPERATING EXPENSES	↑	EBITDA	↑	NET INCOME AFTER TAX	↑	EARNINGS PER SHARE	↑
\$662M		\$115M		\$85M		\$57M		\$0.04	
46.8%		10.4%		137.1%		197.5%		99.7%	

Tropical Battery Company Limited

Statement of Financial Position - (Unaudited)
December 31, 2021

	Notes	Unaudited 31-Dec-21	Unaudited 31-Dec-20	Audited 30-Sep-21
		\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	3	144,297,147	164,455,753	173,828,917
Accounts receivable	4	396,360,865	290,404,150	351,235,981
Due from related companies	5(a)	174,023,603	180,885,333	157,400,499
Due from parent company	5(b)	23,385,227	23,385,227	23,385,227
Inventories	6	873,358,843	433,665,685	608,593,378
Taxation recoverable		560,783	-	525,060
		<u>1,611,986,468</u>	<u>1,092,796,148</u>	<u>1,314,969,062</u>
CURRENT LIABILITIES				
Accounts payable	7	564,292,700	222,507,735	327,676,037
Due to related party		-	-	5,000,000
Short-term Loan	9	100,000,000	100,000,000	100,000,000
Current Portion of lease liabilities		14,856,683	14,415,231	15,856,683
Taxation payable		-	5,860,229	-
		<u>679,149,383</u>	<u>342,783,195</u>	<u>448,532,720</u>
NET CURRENT ASSETS		932,837,085	750,012,953	866,436,342
NON-CURRENT ASSETS				
Intangible assets		38,133,005	38,133,005	38,133,005
Investments		-	72,570,553	-
Property, plant & equipment		169,367,866	166,251,621	176,695,423
Right of use assets		147,711,347	167,252,244	152,649,254
Employee benefits	8	54,407,000	35,517,000	54,407,000
Interest in joint venture		5,000,000	-	5,000,000
		<u>1,347,456,303</u>	<u>1,229,737,376</u>	<u>1,293,321,024</u>
Represented by:				
SHAREHOLDERS' NET EQUITY				
Share Capital	10	156,675,300	156,675,300	156,675,300
Contributed capital		459,207,861	459,207,861	459,207,861
Accumulated profit		266,646,917	138,203,915	209,989,941
		<u>882,530,078</u>	<u>754,087,076</u>	<u>825,873,102</u>
NON-CURRENT LIABILITIES				
Lease liabilities		143,045,013	158,125,794	145,566,710
Long-term loans	12	310,028,468	310,028,468	310,028,468
Deferred tax liability		11,852,744	7,496,038	11,852,744
		<u>464,926,225</u>	<u>475,650,300</u>	<u>467,447,922</u>
		<u>1,347,456,303</u>	<u>1,229,737,376</u>	<u>1,293,321,024</u>

These financial statements were approved by the Board of Directors and signed on its behalf by:



Chairman

Marc Melville



Alexander Melville

Managing Director

The accompanying notes form an integral part of the interim financial statements

1st Quarter Fiscal Year 2022 vs 1st Quarter Fiscal Year 2021

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

Tropical Battery Company Limited

Statement of Profit or Loss and Other Comprehensive Income - (Unaudited)

	Q1 YTD (3 mths.) 31-Dec-21	Q1 YTD (3 mths.) 31-Dec-20	Audited 30-Sep-21
Gross operating revenue	661,943,373	450,989,352	1,997,076,917
Cost of Goods Sold	(465,589,867)	(314,699,633)	(1,377,640,850)
Gross Profit on Sales	196,353,506	136,289,719	619,436,067
Administration, marketing and selling expenses	(114,467,171)	(103,682,926)	(443,993,739)
Impairment loss on trade receivables	-	-	(6,282,026)
	(114,467,171)	(103,682,926)	(450,275,765)
Operating profit	81,886,335	32,606,793	169,160,302
Other operating income	2,583,164	3,015,923	23,578,641
Profit before depre., net financial costs and taxation	84,469,499	35,622,716	192,738,943
Depreciation	(16,137,907)	(8,998,479)	(52,123,793)
Profit before net financial costs and taxation	68,331,592	26,624,237	140,615,150
Finance costs	(15,305,483)	(13,555,934)	(62,977,503)
Finance income	3,630,867	5,972,871	9,887,259
Net finance costs	(11,674,616)	(7,583,063)	(53,090,244)
Profit before taxation	56,656,976	19,041,174	87,524,906
Taxation	-	-	808,044
Profit for the periods/year	56,656,976	19,041,174	88,332,950
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on employee benefit assets	-	-	20,659,000
Related taxation on re-measurement	-	-	(5,164,750)
Other comprehensive income	-	-	15,494,250
Total comprehensive income for the periods/year	56,656,976	19,041,174	103,827,200
Earnings per stock unit	\$ 0.04	\$ 0.02	\$ 0.07

The accompanying notes form an integral part of the interim financial statements

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

Tropical Battery Company Limited

Statement of Changes in Shareholders' Net Equity - (Unaudited)

	Share capital	Capital contribution	Accumulated profit	Total
Balance as at September 30, 2019	370,000	459,207,861	87,499,947	547,077,808
Issue of shares	156,305,300	-	-	156,305,300
Profit for the year			29,336,294	29,336,294
Re-measurement loss on employee benefit asset, net of taxation			2,326,500	2,326,500
Total comprehensive income	-	-	31,662,794	31,662,794
Balance as at September 30, 2020	156,675,300	459,207,861	119,162,741	735,045,902
Profit for the quarter			19,041,174	19,041,174
Dividends			(13,000,000)	(13,000,000)
Re-measurement loss on employee benefit asset, net of taxation			15,494,250	15,494,250
Profit for the period, being comprehensive income			69,291,776	69,291,776
Total comprehensive income	-	-	90,827,200	90,827,200
Balance as at September 30, 2021	156,675,300	459,207,861	209,989,941	825,873,102
Profit for the quarter			56,656,976	56,656,976
Total comprehensive income	-	-	56,656,976	56,656,976
Balance as at December 31, 2021	156,675,300	459,207,861	266,646,917	882,530,078

The accompanying notes form an integral part of the interim financial statements

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

Tropical Battery Company Limited

Statement of Cash Flows - (Unaudited)

For the 3 Months Ended December 31, 2021

	Q1 (3 Mths.) 31-Dec-21	Q1 (3 Mths.) 31-Dec-20	Audited 30-Sep-21
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period	56,656,976	19,041,174	88,332,950
Adjustment to reconcile net profit for the period to net cash used by operating activities:			
Employee benefits	-	-	1,769,000
Depreciation	16,137,907	8,998,479	52,123,793
Taxation expenses	-	-	(808,044)
Interest on loans	8,154,169	7,489,754	35,158,227
Interest on lease liabilities	2,911,426	3,920,259	12,701,106
Amortisation of debt issuance costs	1,306,385	1,306,385	2,022,790
Interest income	(644,946)	(2,570,553)	(3,634,501)
Gain on disposal of investments	-	-	(13,208,345)
Gain on disposal of property, plant and equipment	-	-	(1,519,087)
	84,521,918	38,185,498	172,937,889
Changes in working capital:			
Accounts receivable	(46,466,992)	8,276,059	(51,249,387)
Due from related companies	(19,534,530)	(32,061,660)	(3,351,285)
Due to related party	(5,000,000)	-	5,000,000
Investments	-	(72,570,553)	-
Due from parent company	-	-	-
Inventory	(264,765,465)	(134,056,315)	(308,984,008)
Payables	236,616,663	106,996,402	212,501,836
Due from directors	-	-	-
Cash (used)/generated by operations	(14,628,407)	(85,230,569)	26,855,045
Interest received	644,946	2,570,553	3,634,501
Interest paid	(8,154,169)	(7,489,754)	(35,158,227)
Taxation paid	-	(71,116)	(6,456,405)
Net cash used by operating activities	(22,137,630)	(90,220,886)	(11,125,086)
CASH FLOW FROM INVESTING ACTIVITIES			
Investment encashed	-	-	(50,000,000)
Proceeds from the sale of investments	-	7,585,463	63,208,345
Proceeds from the sale of property, plant and equipment	-	-	3,800,000
Investment in joint venture	-	-	(5,000,000)
Purchase of property, plant and equipment	(8,810,348)	(13,342,012)	(49,440,572)
Net cash used by investing activities	(8,810,348)	(5,756,549)	(37,432,227)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of dividends	-	-	(13,000,000)
Payment of lease liabilities	1,416,208	(7,217,858)	(27,116,337)
Repayment of Long-term loan	-	5,148,479	-
Net cash provided/(used) by financing activities	1,416,208	(2,069,379)	(40,116,337)
Net decrease in cash and cash equivalents	(29,531,770)	(98,046,814)	(88,673,650)
Cash and cash equivalents at the beginning of the period/year	173,828,917	262,502,567	262,502,567
Cash and cash equivalents at the end of the period/year	144,297,147	164,455,753	173,828,917
Represented by:			
Cash and cash equivalents	144,297,147	164,455,753	173,828,917

The accompanying notes form an integral part of the interim financial statements

REVENUE	↑	OPERATING EXPENSES	↑	EBITDA	↑	NET INCOME AFTER TAX	↑	EARNINGS PER SHARE	↑
\$662M		\$115M		\$85M		\$57M		\$0.04	
46.8%		10.4%		137.1%		197.5%		99.7%	

Tropical Battery Company Limited

Notes to the Financial Statements For the 3 Months Ended December 31, 2021

1. Corporate structure and principal activities

The company is incorporated in Jamaica and its registered office is situated at 30 Automotive Parkway, Kingston 20, Jamaica.

Up to September 30, 2015, the company was a wholly owned subsidiary of Melville Enterprises Limited, a company incorporated in Jamaica, which in turn is a subsidiary of Archer Caribbean Inc., a company incorporated in the British Virgin Islands.

Pursuant to a deed of amalgamation between various companies in the group, effective September 30, 2015, the company became a wholly-owned subsidiary of Dai Diverze (Jamaica) Limited, (parent company), a company incorporated in Jamaica, which in turn is a wholly owned subsidiary of Diverze Assets Inc., (ultimate parent company) a company incorporated in St. Lucia.

The company's shares were listed on the Junior Market of the Jamaica Stock Exchange on September 29, 2020.

The principal activities of the company are the sale and distribution of auto batteries and accessories.

2. Statement of compliance, basis of preparation and significant accounting policies

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board, and comply with the provisions of the Jamaica Companies Act.

Freehold and Leasehold Building 2.5%

REVENUE	↑	OPERATING EXPENSES	↑	EBITDA	↑	NET INCOME AFTER TAX	↑	EARNINGS PER SHARE	↑
\$662M		\$115M		\$85M		\$57M		\$0.04	
46.8%		10.4%		137.1%		197.5%		99.7%	

Tropical Battery Company Limited

Notes to the Financial Statements (Continued)
For the 3 Months Ended December 31, 2021

(b) Basis of preparation:

These condensed interim financial statements have been prepared in accordance with accounting policies set out in note 2 to the audited financial statements for the year ended September 30, 2021, and have been consistently applied.

In the interim financial statements no provision is made for Employee Benefits and Deferred Tax.

The unaudited interim financial statements are prepared in accordance with IAS 34 "Interim Financial Statements"

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The financial statements are presented in Jamaica dollars (\$), which is the currency in which the company conducts the majority of its operations.

The interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements for the year ended September 30, 2021.

3. CASH and CASH EQUIVALENTS

Cash and bank balances
Short term investments

Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
\$	\$
94,128,223	146,396,285
50,168,924	27,432,632
<u>144,297,147</u>	<u>173,828,917</u>

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

Tropical Battery Company Limited

Notes to the Financial Statements (Continued)

For the 3 Months Ended December 31, 2021

4 RECEIVABLES & PREPAYMENTS

	Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
	\$	\$
Trade Receivables	268,324,732	251,129,516
Less: Provision for bad debts	(22,873,719)	(22,873,719)
	<u>245,451,013</u>	<u>228,255,797</u>
Other Receivables	150,909,852	122,980,184
	<u>396,360,865</u>	<u>351,235,981</u>

5 RELATED PARTY BALANCES

	Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
	\$	\$
a) Due from related companies		
Chukka Caribbean Adventure Limited	3,469,329	3,464,121
Diverze Properties Limited	170,554,274	153,936,378
	<u>174,023,603</u>	<u>157,400,499</u>
b) Due from parent company Dai Diverze (Jamaica) Limited	<u>23,385,227</u>	<u>23,385,227</u>

6 INVENTORIES

	Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
	\$	\$
Inventories	609,352,465	366,705,151
Inventories - Spent Battery (Scrap)	11,830,128	2,274,170
Inventories-in-transit	255,446,477	242,884,284
	<u>876,629,070</u>	<u>611,863,605</u>
Provision for obsolescence	(3,270,227)	(3,270,227)
	<u>873,358,843</u>	<u>608,593,378</u>

Inventories comprising merchandise for resale have been valued by management at the lower of cost and net realizable value, using the first-in, first-out method.

7 PAYABLES & ACCRUED CHARGES

	Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
	\$	\$
Trade payables	478,527,077	264,711,083
Other payables	85,765,623	62,964,954
	<u>564,292,700</u>	<u>327,676,037</u>

REVENUE \$662M ↑ 46.8%	OPERATING EXPENSES \$115M ↑ 10.4%	EBITDA \$85M ↑ 137.1%	NET INCOME AFTER TAX \$57M ↑ 197.5%	EARNINGS PER SHARE \$0.04 ↑ 99.7%
------------------------------	---	-----------------------------	---	---

Tropical Battery Company Limited

Notes to the Financial Statements (Continued)
For the 3 Months Ended December 31, 2022

8 EMPLOYEE BENEFITS

Present value of funded obligations
Fair value of plan assets
Recognized pension asset

Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
\$	\$
(190,540,000)	(190,540,000)
244,947,000	244,947,000
<u>54,407,000</u>	<u>54,407,000</u>

9 SHORT-TERM LOAN

This represents a short-term loan facility from National Commercial Bank Jamaica Limited which attracts interest at the rate of 7.5% per annum. The credit facility is referred to as the "Senior Unsecured Facility" and has a expiration date of February 28, 2022.

10 SHARE CAPITAL

Authorized:
Unlimited ordinary shares of no par value
Less: Transactions costs of share issue
Stated, issued and fully paid:
1,300,000,000 ordinary shares of no par value

Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
\$	\$
162,935,000	162,935,000
(6,259,700)	(6,259,700)
<u>156,675,300</u>	<u>156,675,300</u>

11 GROSS OPERATING REVENUE

Gross operating revenue represents the invoiced value of sales after deduction of returns and is measured net of consumption taxes.

Net Battery Sales
Net Tyre Sales
Total Accessories
Net Sales before discounts
Discounts on All Products

Net Sales

Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
\$	\$
591,264,497	1,729,102,767
8,051,176	22,819,341
67,416,961	259,399,528
666,732,634	2,011,321,636
(4,789,261)	(14,244,719)
<u>661,943,373</u>	<u>1,997,076,917</u>

12 LONG-TERM LOANS

- a) Related party loan
- b) Bonds

Q1 (3 Mths.) 31-Dec-21	Audited 30-Sep-21
\$	\$
15,254,009	15,254,009
294,774,459	294,774,459
<u>310,028,468</u>	<u>310,028,468</u>

- a) The company has an unsecured loan from the ultimate parent company. This loan is interest-free and has no specified repayment date.
- b) In April 2019, the company authorized the private placement of secured J\$ notes for an aggregate principal amount of \$300 million. These bonds attract interest at the rate of 7.5% per annum and they mature in April 2024.

REVENUE	↑	OPERATING EXPENSES	↑	EBITDA	↑	NET INCOME AFTER TAX	↑	EARNINGS PER SHARE	↑
\$662M		\$115M		\$85M		\$57M		\$0.04	
46.8%		10.4%		137.1%		197.5%		99.7%	



10 Largest Shareholders as at Dec. 31, 2021

#	Symbol	Shareholders 'Name	# Shares	%
1	TROPICAL	DAI DIVERZE (JAMAICA) LIMITED	975,000,000	75.0%
2	TROPICAL	NCB CAPITAL MARKETS (CAYMAN) LTD	68,882,259	5.3%
3	TROPICAL	CONSCIOUS CAPITAL INC.	40,829,000	3.1%
4	TROPICAL	TROPICAL BATTERY COMPANY LIMITED CONTRIBUTORY PENSION	20,035,000	1.5%
5	TROPICAL	NCB CAPITAL MARKETS LTD. A/C 2231	5,726,248	0.4%
6	TROPICAL	DANIEL MELVILLE	5,000,000	0.4%
7	TROPICAL	SAGICOR SELECT FUND LIMITED - ('CLASS C' SHARES)	4,222,222	0.3%
8	TROPICAL	HERBERT L. HALL	4,000,000	0.3%
9	TROPICAL	HAZEL TOMLINSON	3,687,924	0.3%
10	TROPICAL	MR. PANKAJ ASHOK BHATIA	3,099,662	0.2%
Total of Ten Largest Shareholders:			1,130,482,315	87.0%
All Other Shareholders:			169,517,685	13.0%
Total Shares Issued:			1,300,000,000	100.0%

Shareholdings of Directors

As at Dec. 31, 2021

#	Symbol	Shareholders 'Name	Relationship	# Shares Held Directly	# Shares Held though Connected Co.
1	TROPICAL	Marc Melville	DAI Diverze (Jamaica) Limited	-	975,000,000
2	TROPICAL	Alexander Melville	DAI Diverze (Jamaica) Limited	-	975,000,000
	TROPICAL	Alexander Melville	Conscious Capital Inc.	-	40,829,000
3	TROPICAL	Daniel Melville	DAI Diverze (Jamaica) Limited	5,000,000	975,000,000
4	TROPICAL	Ricardo Hutchinson	DAI Diverze (Jamaica) Limited	-	975,000,000
5	TROPICAL	Marc Ramsay	Operor Austus Limited	-	1,500,000
6	TROPICAL	Caryl Fenton		-	-

Shareholdings of Executives

As at Dec. 31, 2021

#	Symbol	Shareholders 'Name	# Shares Held Directly	# Shares Held though Connected Co.
1	TROPICAL	Reshando Mais	300,000	-
2	TROPICAL	Stacy-Ann Spence	50,000	-
3	TROPICAL	Kamesha Robinson	907,924	-
4	TROPICAL	Claude Christie	50,000	-
5	TROPICAL	O'rane Grey	150,000	-
6	TROPICAL	Sandra Russel	360,000	-

1st Quarter Fiscal Year 2022 vs 1st Quarter Fiscal Year 2021

REVENUE	↑	OPERATING EXPENSES	↑	EBITDA	↑	NET INCOME AFTER TAX	↑	EARNINGS PER SHARE	↑
\$662M		\$115M		\$85M		\$57M		\$0.04	
46.8%		10.4%		137.1%		197.5%		99.7%	



HEAD OFFICE

Kingston

876-923-6231-3

ferry@tropicalbattery.com

30 Automotive Parkway,
Ferry Commercial Park,
Mandela Highway Kingston
20. P.O. Box 148. Jamaica W. I.

WAREHOUSES

Kingston

30 Automotive Parkway, Ferry
Commercial Park,
Mandela Highway Kingston 20.
876-923-6231-3
ferry@tropicalbattery.com

Montego Bay

Catherine Hall Trade Centre
Montego Bay St. James Jamaica
(876) 971-6220, (876) 971-9408 (fax)
whmobay@tropicalbattery.com

STORES

Kingston

30 Automotive Parkway,
Ferry Commercial Park,
Mandela Highway
Kingston 20.
876-923-6231-3
ferry@tropicalbattery.com

Kingston

15 Ashenheim Road
Kingston 11 Jamaica
(876) 923-6231-3
ashen@tropicalbattery.com

Manchester

6 Villa Road, Mandeville
Manchester Jamaica
(876) 625-0600, (876) 625-9083
mandeville@tropicalbattery.com

Montego Bay

Catherine Hall Trade Centre
Montego Bay St.
James Jamaica
(876) 971-6220
mobay@tropicalbattery.com

Kingston

1E Grove Road
Kingston 10, Jamaica
(876) 926-6615
groverd@tropicalbattery.com

Ocho Rios

Coconut Grove, Jamaica
(876) 974-8777-8
ochorios@tropicalbattery.com