



**FIRST QUARTER**

**UNAUDITED FINANCIAL REPORT**

**JUNE 2015**

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## REPORT TO THE SHAREHOLDERS – QUARTER ENDED JUNE 30, 2015

The Board of Directors of LASCO Manufacturing Limited is pleased to present the unaudited results for the first quarter ended June 30, 2015.

For the Quarter ended June 30, 2015, LASCO Manufacturing Limited generated a net profit of \$247m. This result was 75% above the prior year profit of \$141m (the prior year results did not include the liquid line). Total Sales revenue for the quarter was \$1.4b, an increase of 34% over the same period last year. Overall Gross Profit Margins were \$475m which was a 51% increase over the same period last year.

Production capacity at the Liquid Plant has already been doubled during this quarter, to meet the overwhelming market demand for our iCool line of beverages. During this year, we will invest further in new equipment to increase its capacity. There will be many more new products to come on line once production capacity is at its normal level. We continue to be optimistic and confident about the future for this product line with substantial profits to be realized.

The new Dry Plant at White Marl has now completed the testing and trial phase, and will be fully operational within the next quarter to achieve full efficiency. The existing Red Hills Road operation for this quarter has recorded an increase of 28% in net profits over last year. There will be new products coming on stream by the end of the year and the future looks bright for the operation with significant sales and profits.

We continue to do remarkably well with profits, considering that we had significant startup expenses arising from the expansion. Within the next year to two years, you will see exciting revenues and profits both from the liquid and powder operations.

We would like to thank all our customers, shareholders and team members for their continued invaluable support during this period, and look forward to an exciting year ahead.



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Lascelles Chin  
CHAIRMAN



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Peter Chin  
DIRECTOR

**LASCO Manufacturing Limited**

## Statement of Comprehensive Income

For the three months ended June 30, 2015

*Unaudited and expressed in J\$'000*

	3 months to 30 Jun 2015	3 months to 30 Jun 2014
Revenue	1,440,394	1,077,581
Cost of Sales	(965,771)	(762,313)
<b>Gross Profit</b>	<b>474,623</b>	<b>315,268</b>
Other Operating Income/(Loss)	(454)	994
Operating Expenses	(185,182)	(143,199)
Profit from Operations	<b>288,987</b>	<b>173,063</b>
Finance Costs	(42,347)	(31,828)
<b>Profit before Taxation</b>	<b>246,639</b>	<b>141,235</b>
Taxation	0	0
<b>Total Comprehensive Income for the Period</b>	<b>246,639</b>	<b>141,235</b>
 Earnings per stock unit	 0.06	 0.03

**LASCO Manufacturing Limited**  
Statement of Financial Position  
as at June 30, 2015

	Notes	30 Jun 2015 Unaudited \$'000	30 Jun 2014 Unaudited \$'000	31 Mar 2015 Audited \$'000
<b>ASSETS:</b>				
<b>Non-Current Assets</b>				
Property, Plant & Equipment		3,540,372	3,038,071	3,396,350
<b>Total Non-Current Assets</b>		<b>3,540,372</b>	<b>3,038,071</b>	<b>3,396,350</b>
<b>Current Assets</b>				
Inventories		736,227	432,966	759,421
Trade and other receivables	3	1,263,057	846,261	1,131,713
Director's current account		12,938	6,029	13,126
Taxation recoverable		334	0	309
Due from Related Companies		0	0	3
Short term Investments		83,893	0	82,480
Cash and Bank Balances		185,333	126,992	108,127
<b>Total Current Assets</b>		<b>2,281,783</b>	<b>1,412,248</b>	<b>2,095,178</b>
<b>TOTAL ASSETS</b>		<b>5,822,155</b>	<b>4,450,319</b>	<b>5,491,529</b>
<b>EQUITY AND LIABILITIES:</b>				
<b>Current Liabilities</b>				
Trade and Other Payables		516,247	234,927	655,659
Bank Overdraft		601,895	60,968	340,260
Due to related Companies		831	0	704
Current portion of long term loan		160,443	187,615	342,946
<b>Total Current Liabilities</b>		<b>1,279,415</b>	<b>483,510</b>	<b>1,339,570</b>
<b>Non-Current Liabilities</b>				
Long Term Debt		1,102,580	1,301,385	958,439
<b>Shareholders' Equity</b>				
Share Capital		305,298	305,298	305,298
Retained Earnings		3,134,862	2,360,126	2,888,222
<b>Total Shareholders' Equity</b>		<b>3,440,159</b>	<b>2,665,424</b>	<b>3,193,520</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,822,155</b>	<b>4,450,319</b>	<b>5,491,529</b>

Approved for issue by the Board of Directors on July 28, 2015 and signed on its behalf by:



Lascelles Chin  
CHAIRMAN



Peter Chin  
Director

**LASCO Manufacturing Limited**  
**Statement of Cashflows**  
**For the three months ended June 30, 2015**  
*(expressed in Thousands)*

	<b>Jun-15</b>	<b>Jun-14</b>
	<b>J\$'000</b>	<b>J\$'000</b>
<b>Cash Flows From Operating Activities:</b>		
Profit /(Loss) for the period	246,639	141,235
Items not affecting cash	75,423	41,340
Changes in non-cash working capital components	(430,919)	(146,476)
<b>Cash provided by Operating Activities</b>	<b>(108,856)</b>	<b>36,099</b>
<b>Cash (used in)/provided by Investing Activities</b>	<b>(177,366)</b>	<b>1,441</b>
<b>Cash provided by /(used in) Financing Activities</b>	<b>101,794</b>	<b>(30,868)</b>
<b>Net Change In Cash and Cash Equivalents</b>	<b>(184,428)</b>	<b>6,672</b>
Cash and cash equivalents at the beginning of the period	(232,133)	59,352
<b>Cash and Cash Equivalents at the end of The Period</b>	<b>(416,561)</b>	<b>66,024</b>
<b>Comprised of:</b>		
Cash and Bank balances	185,333	126,992
Bank Overdrafts	(601,895)	(60,968)
	<b>(416,561)</b>	<b>66,024</b>

**LASCO Manufacturing Limited**  
**Statement of Changes in Shareholders' Equity**  
**For the three months ended June 30, 2015**

<b>2015</b>			
	Share Capital \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 April 2015	305,298	2,888,221	3,193,519
Total Comprehensive Income for the period	0	246,640	246,640
<b>Balance as at June 30, 2015</b>	<b>305,298</b>	<b>3,134,862</b>	<b>3,440,159</b>

  

<b>2014</b>			
	Share Capital \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 April 2014	305,298	2,218,891	2,524,189
Total Comprehensive Income for the period	0	141,235	141,235
<b>Balance as at June 30, 2014</b>	<b>305,298</b>	<b>2,360,126</b>	<b>2,665,424</b>

## **1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:**

- a. LASCO Manufacturing Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 27 Red Hills Road, Kingston 10, and it currently operates from leased premises at 38½ Red Hills Road, Kingston 10.
- b. The principal activities of the company are the manufacturing of soy based products, juice drinks, water and export of various LASCO branded products.

## **2. SIGNIFICANT ACCOUNTING POLICIES:**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS); and the adopted interpretation of those standards by the International Accounting Standards Board, and have been prepared under the historical cost convention. They are also prepared in accordance with provisions of the Jamaican Companies Act.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31st March 2015.

These financial statements are presented in Jamaican dollars unless otherwise indicated.



### 3. TRADE RECEIVABLES

Included in Trade and other receivables is \$1,000,265,000 (June 2014: \$660,188,000) due from Lasco Distributors Limited.

### 4. SHARE CAPITAL

	2015 \$'000	2014 \$'000
Authorised - 4,427,500,000 (2014 – 4,427,500,000) ordinary shares of no par value		
Stated capital – Issued and fully paid – Number of Ordinary shares 4,087,130,170 (2014 – 4,087,130,170) ordinary shares of no par value	<u>305,298</u>	<u>305,298</u>