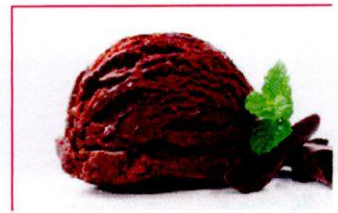
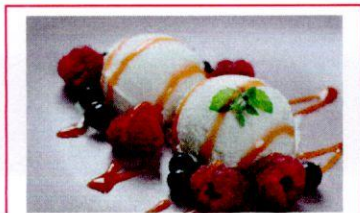
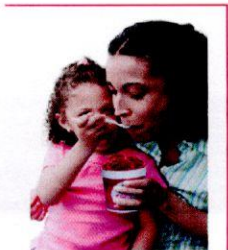




**Fourth Quarter Unaudited Financial  
Statements**  
*12 months*  
*29 February 2016*



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## Caribbean Cream Ltd.

### UNAUDITED FINANCIAL RESULTS

Twelve months ended February 29, 2016

The Board of Directors at Caribbean Cream Limited, manufacturers and distributors of ice cream and ice cream products, are pleased to present the unaudited financial results for the fourth quarter ended February 29, 2016.

#### Results at a glance

For the fourth quarter (Q4) ended February 29, 2016 compared with the similar period last year,

	12 months ended February				3 months ended February			
	Yr 2016 \$'000	Yr 2015 \$'000	\$ Change	% Change	Yr 2016 \$'000	Yr 2015 \$'000	\$ Change	% Change
Revenue	1,134,933	1,012,861	122,071	12%	316,546	271,501	45,045	17%
Gross Profit	450,192	275,800	174,391	63%	126,718	73,517	53,202	72%
Net Profit after tax	150,553	56,766	93,787	165%	26,859	25,691	1,167	5%

- YTD revenue of \$1,135 million increased by \$122 million (12%) over the same period for 2015,
- YTD gross profit of \$450 million increased by \$174 million (63%) over the same period for 2015,
- YTD profit totalling \$151 million increased by \$94 million (165%) over the same period for 2015.



### **Performance Highlights**

Revenue for the twelve months and Q4 increased by 12% and 17% (\$122m and \$45m) respectively due to our ongoing aggressive sales, marketing & promotional efforts. We continue to expand both our wholesale and retail market segments.

Cost of sales for the twelve months and Q4 were \$685m and \$190m reflecting a reduction of \$52m (7%) and \$8.2m (4%) respectively in comparison to last year. The Company continued to benefit from price reductions on its main ingredients through forward buying at agreed prices when Milk Powder was selling at record low prices and sugar prices were also low. Improved efficiencies were also realized through the implementation of CAPEX projects on the operations side.

All the above gave rise to the Gross Profit for the Twelve months being \$450m, an increase of \$174m (63%) over the similar period last year. The gross profit for the quarter was \$127m a \$53m (72%) increase over the same period last year.

Net profit after tax was \$150m for the twelve months and \$27m for the quarter. Earnings per share were \$0.40 for the year.

Administrative expenses totalled \$243m and \$89.6m for the twelve months and Q4 respectively as we continued to experience high sanitation costs (pending the installation of the waste water system) and underwent an impairment exercise which resulted in a write off totalling \$31m as the company continues its modernization of the fixed assets.

Total assets less current liabilities were \$540 million, an increase of \$127 million (31%) over last year due to improvements in the company's management of working capital.

We thank all our employees, customers, shareholders, suppliers and other stakeholders for their tremendous support and assistance with achieving the success and growth of the company over the past year.

**Carol Clarke Webster**

**Chairman**

**Christopher Clarke**

**CEO/Director**



# Caribbean Cream Ltd.

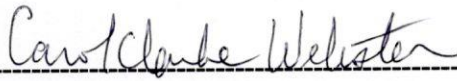
## UNAUDITED INCOME STATEMENT Twelve months ended February 29, 2016


	Unaudited year ended Feb-16 S	Audited year ended Feb-15 S	Unaudited 3 months to Feb-16 S	Audited 3 months to Feb-15 S
<b>Gross operating revenue</b>	1,134,933,221	1,012,860,965	316,545,874	271,501,329
Cost of operating revenue	(684,741,583)	(737,060,605)	(189,827,525)	(197,984,781)
<b>Gross Profit</b>	450,191,638	275,800,360	126,718,349	73,516,548
Other income	3,837,060	2,497,610	1,602,939	1,182,634
	<u>454,028,699</u>	<u>278,297,970</u>	<u>128,321,288</u>	<u>74,699,182</u>
<b>Administrative, selling &amp; distribution expenses</b>				
Administrative	(242,911,731)	(156,316,264)	(89,612,337)	(32,019,305)
Selling and distribution	(42,745,016)	(38,184,264)	(7,589,353)	(6,417,795)
	<u>(285,656,747)</u>	<u>(194,500,528)</u>	<u>(97,201,690)</u>	<u>(38,437,100)</u>
<b>Operating profit before finance costs</b>	168,371,952	83,797,442	31,119,598	36,262,082
Finance costs	(17,762,548)	(27,031,142)	(4,204,223)	(10,571,159)
<b>Profit before taxation</b>	150,609,404	56,766,300	26,915,375	25,690,923
Taxation	(56,587)	-	(56,587)	-
<b>Net Profit after taxation</b>	<u>150,552,818</u>	<u>56,766,300</u>	<u>26,858,789</u>	<u>25,690,923</u>
<b>Earnings per stock unit</b>	<u>\$0.40</u>	<u>\$0.15</u>	<u>\$0.07</u>	<u>\$0.07</u>

# Caribbean Cream Ltd.

## UNAUDITED STATEMENT of FINANCIAL POSITION February 29, 2016

	Unaudited Feb-16 \$	Audited Feb-15 \$
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	361,327,659	394,047,280
<b>CURRENT ASSETS</b>		
Inventories	73,343,031	79,993,317
Directors' current account	-	2,025,849
Trade and other receivables	46,963,857	33,047,695
Cash and cash equivalents	152,523,086	1,756,896
<b>Total current assets</b>	<b>272,829,974</b>	<b>116,823,757</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	71,376,204	68,386,799
Taxation payable	-	898,293
Current portion of long-term loans	23,214,227	24,407,428
Bank Overdraft	-	4,576,530
<b>Total current liabilities</b>	<b>94,590,431</b>	<b>98,269,050</b>
<b>Net current assets</b>	<b>178,239,542</b>	<b>18,554,707</b>
<b>Total assets less current liabilities</b>	<b>539,567,202</b>	<b>412,601,987</b>
<b>NON-CURRENT LIABILITY</b>		
Long term loans	102,242,047	125,829,649
<b>Total non-current liability</b>	<b>102,242,047</b>	<b>125,829,649</b>
<b>EQUITY</b>		
Share Capital	111,411,290	111,411,290
Revaluation Reserve	47,669,736	47,669,736
Accumulated profits	278,244,129	127,691,312
<b>Total equity</b>	<b>437,325,155</b>	<b>286,772,338</b>
<b>Total non-current liability and equity</b>	<b>539,567,202</b>	<b>412,601,987</b>

  
 Carol Clarke Webster Chairman

  
 Christopher Clarke CEO/Director

## Caribbean Cream Ltd.

### UNAUDITED STATEMENT of CHANGES in EQUITY Twelve months ended February 29, 2016

	Share Capital S	Revaluation reserves S	Retained earnings S	Total S
<b>Balances at February 28, 2014</b>	111,411,290	47,669,736	70,925,012	230,006,038
Net profit for the year	-	-	56,766,300	56,766,300
<b>Balances at February 28, 2015</b>	<b>111,411,290</b>	<b>47,669,736</b>	<b>127,691,312</b>	<b>286,772,338</b>
<b>Balances at February 28, 2015</b>	111,411,290	47,669,736	127,691,312	286,772,338
Net profit for the year	-	-	150,552,818	150,552,818
<b>Balances at February 29, 2016</b>	<b>111,411,290</b>	<b>47,669,736</b>	<b>278,244,129</b>	<b>437,325,155</b>



# Caribbean Cream Ltd.

## UNAUDITED STATEMENT of CASH FLOW Twelve months ended February 29, 2016

	Unaudited year ended Feb-16 S	Audited year ended Feb-15 S
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Net profit for the year	150,552,818	56,766,300
Adjustments for:		
Depreciation	48,010,615	39,653,396
Impairment	31,389,500	
Interest expense	15,655,069	17,054,874
Loss on disposal/write-off of property, plant and equipment	-	344,000
Operating cash flows before movements in working capital	245,608,002	113,818,570
Trade and other receivables	(13,916,161)	(2,327,206)
Inventories	6,650,286	(13,834,862)
Trade and other payables	2,989,406	(16,904,422)
Taxation paid	(898,293)	(3,676,714)
Interest paid	(15,655,069)	(17,054,874)
Net cash provided by operating activities	<u>224,778,169</u>	<u>60,020,492</u>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(46,680,494)	(65,379,775)
Net cash used by investing activities	<u>(46,680,494)</u>	<u>(65,379,775)</u>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of bank loans	(24,780,803)	(14,734,625)
Proceeds from bank loans	-	30,000,000
Directors' current account	2,025,849	(7,621,058)
Net cash used by financing activities	<u>(22,754,954)</u>	<u>7,644,317</u>
Net increase/(decrease) in cash resources	155,342,720	2,285,034
Cash and cash equivalents at beginning of year	(2,819,634)	(5,104,668)
<b>CASH and CASH EQUIVALENTS at end of YEAR</b>	<b><u>152,523,086</u></b>	<b><u>(2,819,634)</u></b>
<b>REPRESENTED BY:</b>		
Bank overdraft	-	(4,576,530)
Cash, Bank and Short term deposits	152,523,086	1,756,896
<b>Cash and cash equivalents at February 29, 2016</b>	<b><u>152,523,086</u></b>	<b><u>(2,819,634)</u></b>



# **Caribbean Cream Ltd.**

## **Notes to the Unaudited Financial Statements**

**Twelve months ended February 29, 2016**

### **Identification and Principal Activities**

Caribbean Cream Limited (the Company) is incorporated and domiciled in Jamaica and its registered office is located at 3 South Road, Kingston 10. The principal activities of the Company are the manufacture and sale of ice cream under the 'Kremi' brand, and the importation and distribution of certain types of frozen novelties.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange (JSE) on 17 May 2013.

### **Basis of preparation**

**Statement of compliance:**

These unaudited financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board, and comply with the relevant provisions of the Jamaican Companies Act. The accounting policies used in the preparation of these unaudited interim financial statements are consistent with those used in the audited financial statements for the year ended 28 February 2015 and comply with the requirements of IAS 34, Interim Financial reporting.

**Basis of measurement:**

The financial statements have been prepared under the historical cost convention except for certain classes of property, plant and equipment which are carried at valuation.

**Functional and presentation currency:**

These financial statements are expressed in Jamaican Dollars, which is the Company's functional currency.

# **Caribbean Cream Ltd.**

**Notes to the Unaudited Financial Statements cont'd**  
**Twelve months ended February 29, 2016**

## **Significant accounting policies**

### **Taxation**

The Company is exempt from income tax, following its listing on the Junior Market of the Jamaica Stock Exchange. Since listing on the Junior Market of the Stock Exchange 17<sup>th</sup> May 2013, two and half months after the start of the Company's financial year, income taxes were calculated on operating profits for the entire year followed by a remission of the equivalent of nine and a half months of the tax calculated. Therefore, the taxation charge for the period of \$ 56,587 represents under accrual for the financial year 2013 – 2014 of \$56,587.

### **Cash and cash equivalents**

Cash and cash equivalents comprise short term investment, cash and bank balances.

### **Segment reporting**

The Company only operates in one segment; therefore, no segment reporting is done.

# Caribbean Cream Ltd.

## LIST OF TOP TEN (10) LARGEST SHAREHOLDERS AS AT FEBRUARY 29, 2016

Shareholder	Units
1. Scoops Un-Limited Limited	121,141,801
2. Matthew G. Clarke	60,055,425
3. Carol Webster/Christopher Clarke	58,521,764
4. Christopher A. Clarke	35,133,399
5. Resource In Motion Limited	31,750,000
6. Everton J. Smith	7,200,000
7. Mayberry West Indies Bank Limited	6,189,270
8. JI Limited	5,000,000
9. Colin Steele	4,309,800
10. Jamaican Teas Limited Buying A/C	3,532,435



## Caribbean Cream Ltd.

### SHAREHOLDINGS OF DIRECTORS, SENIOR MANAGERS & CONNECTED PARTIES AS AT FEBRUARY 29, 2016

#### SHAREHOLDINGS OF DIRECTORS AND CONNECTED PARTIES

Director	Shareholdings	Connected Parties	Shareholdings
Carol Webster	58,521,764	Christopher Clarke Scoops Un-Limited Limited	121,141,801
Matthew G. Clarke	60,055,425	Scoops Un-Limited Limited	121,141,801
Christopher A. Clarke Christopher A. Clarke	30,133,399 5,000,000	Kamoy S. Clarke (joint holder) Scoops Un-Limited Limited	121,141,801
Mark McKenzie	1,250,000	---	
Wayne Wray	1,000,000 1,835	Christine Randle Craig A. Singh	
Denise Douglas	2,895	Ryan McCalla	

#### SHAREHOLDINGS OF SENIOR MANAGERS AND CONNECTED PARTIES

Senior Manager	Shareholdings	Connected Parties	Shareholdings
David Radlein	100,000	Catherine Radlein	
Karen Williams	25,855	Vyris Williams	