

Consolidated Bakeries (Jamaica) Limited

Financial Statements

For the three months ended 31 March 2016

(Unaudited)

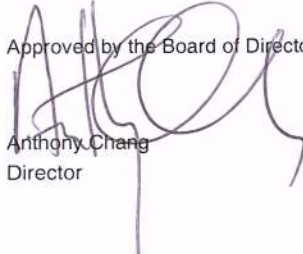
CONSOLIDATED BAKERIES (JAMAICA) LIMITED
FINANCIAL STATEMENTS
THREE MONTHS ENDED 31 MARCH 2016
(Unaudited)


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CONSOLIDATED BAKERIES (JAMAICA) LIMITED
 STATEMENT OF FINANCIAL POSITION
 AS AT 31 MARCH 2016
 (Unaudited)

Expressed in whole \$	Notes	As at 31 Mar 16	As at 31 Mar 15	Audited 31 Dec 15
ASSETS:				
Property, plant and equipment	2d	436,885,107	420,624,925	438,122,286
Current assets:				
Inventories		26,438,056	27,431,734	29,891,152
Accounts receivable, net of allowances		91,516,776	98,617,160	49,320,276
Owed by related parties		20,953,261	21,951,976	20,967,133
Investments		61,547,541	57,284,565	60,086,726
Cash and cash equivalents	2e	63,730,131	52,812,822	58,050,218
Total current assets		<u>264,185,766</u>	<u>258,098,257</u>	<u>218,315,505</u>
Total Assets		<u>701,070,872</u>	<u>678,723,182</u>	<u>656,437,791</u>
EQUITY:				
Share capital		90,726,664	90,726,664	90,726,664
Capital reserve		20,825,532	20,825,532	20,825,532
Revaluation reserves		330,854,047	330,854,047	330,854,047
Other comprehensive income		10,077,010	5,834,849	8,370,754
Retained earnings		<u>105,525,382</u>	<u>91,519,103</u>	<u>82,706,364</u>
Total Equity		<u>558,008,634</u>	<u>539,760,194</u>	<u>533,483,361</u>
LIABILITIES:				
Non-current liabilities:				
Long term loan		38,795,288	41,562,550	32,983,308
Current liabilities:				
Current portion of long term loan		17,089,880	17,798,860	24,589,998
Accounts payable and accruals		87,177,070	75,015,544	47,830,687
Bank overdraft		-	4,586,034	17,550,437
Total current liabilities		<u>104,266,950</u>	<u>97,400,438</u>	<u>89,971,122</u>
Total Liabilities		<u>143,062,238</u>	<u>138,962,988</u>	<u>122,954,430</u>
Total Equity and Liabilities		<u>701,070,872</u>	<u>678,723,182</u>	<u>656,437,791</u>

Approved by the Board of Directors on *May 11, 2016* and signed on its behalf by:


 Anthony Chang
 Director


 Vincent Chang
 Director

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
 INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
 THREE MONTHS ENDED 31 MARCH 2016
 (Unaudited)

Expressed in whole \$	Notes	Qtr Ended 31 Mar 16	Qtr Ended 31 Mar 15	Audited Y/E 31 Dec 15
Revenue		260,557,570	224,770,081	767,553,455
Cost of sales		164,202,967	147,948,830	498,325,443
Gross profit		96,354,604	76,821,251	269,228,012
Other (income)		(1,053,921)	(785,999)	(5,300,037)
Administrative and Other Expenses		41,572,343	38,362,063	164,005,454
Selling and Distribution Expenses		31,488,850	23,826,409	97,708,662
Profit from operations		24,347,332	15,418,778	12,813,933
Finance costs		1,528,315	1,509,284	7,671,839
Loss/(gain) on fixed assets		-	-	45,339
Net income		22,819,018	13,909,493	5,096,755
Other comprehensive income				
Fair value appreciation of available for sale Investments		1,706,256	225,394	2,761,299
Total comprehensive income		24,525,273	14,134,887	7,858,054
Earnings per share	2f	\$0.10	\$0.06	\$0.02

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
 STATEMENT OF CHANGES IN EQUITY
 THREE MONTHS ENDED 31 MARCH 2016
 (Unaudited)

Expressed in whole \$	Share Capital	Revaluation Reserve	Capital Reserve	Other Comprehensive Income	Retained Earnings	Total
Balance at 31 December 2014	90,726,664	330,854,047	20,825,532	5,609,455	77,609,609	525,625,307
Net income					13,909,493	13,909,493
Fair value appreciation of available for sale investments				225,394		225,394
Balance at 31 March 2015	90,726,664	330,854,047	20,825,532	5,834,849	91,519,102	539,760,194
Balance at 31 December 2015	90,726,664	330,854,047	20,825,532	8,370,754	82,706,364	533,483,361
Net income					22,819,018	22,819,018
Fair value appreciation of available for sale investments				1,706,256		1,706,256
Balance at 31 March 2016	90,726,664	330,854,047	20,825,532	10,077,010	105,525,382	558,008,634

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CASH FLOW
THREE MONTHS ENDED 31 MARCH 2016
(Unaudited)

Expressed in whole \$	Qtr Ended 31 Mar 16	Qtr Ended 31 Mar 15	Audited Y/E 31 Dec 15
SOURCES/(USES) OF CASH			
Operating Activities			
Comprehensive income for the period	24,525,273	14,134,887	7,858,054
Adjustments for:			
Depreciation	5,530,784	4,529,940	20,542,748
Unrealized currency transaction	(1,706,256)	(225,394)	(2,761,299)
Gain on disposal of plant and equipment	-	-	45,340
	<u>28,349,802</u>	<u>18,439,434</u>	<u>25,684,843</u>
Change in working capital			
Inventories	3,453,096	5,359,884	2,900,466
Receivables	(40,490,244)	(42,428,994)	2,854,279
Related parties	13,872	2,940,218	3,925,060
Deposit on equipment	-	-	3,788,219
Payables	39,346,383	42,082,099	14,897,243
Tax	-	-	-
	<u>30,672,908</u>	<u>26,392,641</u>	<u>54,050,110</u>
Net cash from operating activities			
Investing Activities			
Investments	(1,460,815)	(396,486)	(437,349)
Plant and equipment	(4,293,605)	(17,694,511)	(51,680,019)
Proceeds from sale of fixed assets	-	-	430,000
	<u>(5,754,420)</u>	<u>(18,090,997)</u>	<u>(51,687,368)</u>
Net cash from investing activities			
Financing Activities			
Loan	(1,688,138)	1,822,888	34,783
	<u>(1,688,138)</u>	<u>1,822,888</u>	<u>34,783</u>
Net cash from financing activities			
Net increase in cash and cash equivalents	23,230,350	10,124,532	2,397,525
Net cash and cash equivalents at beginning of year	40,499,781	38,102,255	38,102,255
	<u>63,730,131</u>	<u>48,226,787</u>	<u>40,499,780</u>
Net cash and cash equivalents at end of the period			
Represented by:			
Cash and cash equivalents	63,730,131	52,812,822	58,050,217
Bank overdraft	-	(4,586,034)	(17,550,437)
	<u>63,730,131</u>	<u>48,226,787</u>	<u>40,499,780</u>
Net cash and cash equivalents at end of the period			

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 THREE MONTHS ENDED 31 MARCH 2016
 (Unaudited)

1. GENERAL INFORMATION

Consolidated Bakeries (Jamaica) Limited (the 'Company') is incorporated under the Jamaican Companies Act and is a subsidiary of Chang Brothers Limited, a Jamaican company incorporated under the Jamaican Companies Act.

The Company had its application to the Junior Stock Exchange approved after its successful public share offer of ordinary shares in December 2012.

The main activities of the Company are the manufacture, wholesale and retail sale of edible baked products.

2. ACCOUNTING POLICIES

(a) Statements of Compliance

These interim financial statements for the period ended 31 March 2016, have been prepared in accordance with IAS34, 'Interim Financial Reporting'. These interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2015.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2015, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the provisions of the Jamaican Companies Act.

(b) Reporting Currency

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

(c) Tax Status

Under the Income Tax Act (Jamaica Stock Junior Market Remission Notice 2010), 100% of the Company's income tax liability is relieved for 5 years (2013 to 2018), then 50% for another 5 years, provided the Company remains on the Stock Exchange for a total of 15 years.

(d) Property, Plant and Equipment

All property, plant and equipment are initially recorded at cost. Freehold land and buildings are subsequently shown at market valuation by external independent valuers, less subsequent depreciation of buildings. All other fixed assets are carried at cost less accumulated depreciation.

Expressed in whole \$	Qtr Ended 31 Mar 16	Qtr Ended 31 Mar 15	Audited Y/E 31 Dec 15
NBV as at start of the period	438,122,286	407,460,355	407,460,355
Acquisitions	4,293,605	17,694,511	51,680,019
Disposals	-	-	(475,340)
Depreciation charge	(5,530,784)	(4,529,940)	(20,542,748)
NBV as at end of the period	436,885,107	420,624,925	438,122,286

(e) Cash & Cash Equivalent

Cash & cash equivalent includes investments with settlement date of 90 days or less.

(f) Earnings per Share

Earnings per share have been calculated by dividing the 'Net Income' by the total number of shares at the end of the respective period 222,709,171 (2015 - 222,709,171).

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 THREE MONTHS ENDED 31 MARCH 2016
 (Unaudited)

3. SHAREHOLDERS' INFORMATION

(a) Top Ten Shareholders

Chang Brothers Limited	136,496,956
Anthony Chang	19,178,330
General Accident Insurance Company Ja. Ltd.	12,000,000
Colin Steele	4,197,500
Everton J. Smith	4,000,000
David Chang	3,216,000
P.A.M. Ltd – Pooled Equity Pension Fund	2,481,241
National Supply Company Ltd	2,065,094
Prakash Vaswani	1,506,000
JMMB Retirement Scheme	1,394,328

(b) Shareholding of Directors/Senior Managers

Anthony Chang *	19,078,330
Nicola Chang Murphy *	89,000
Noel daCosta	800,000
Philmore Ogle	800,000
Keith Collister	800,000
Victor Salazar-Chang	174,200
Thomas Chin	256,636

* Directors are major shareholders in Chang Brothers Limited.