



**First Quarter Unaudited Financial
Statements**
3 months
May 31, 2017

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Caribbean Cream Ltd.

UNAUDITED FINANCIAL RESULTS

Three months ended May 31, 2017

The Board of Directors at Caribbean Cream Limited, are pleased to present the unaudited financial results for the first quarter ended May 31, 2017.

Quarter 1 Performance

Revenue for the three months was \$319 million, an increase of 1% or \$3.8 million over the same period for 2016. Sales were affected by the reduction in demand due to adverse weather conditions (rain & flooding) existing in the 1st Quarter of our financial year.

Cost of operating revenue was \$212 million, an increase over last year by \$34 million or 19%. The increased cost is driven by (1) price increases on ingredients, storage and shipping, (2) higher utility costs due to the use of additional space to accommodate more raw material goods storage, and (3) increased labour cost due to salary increases and preparations for anticipated sales.

As a result of the above, Gross Profit realized for the quarter was \$107 million, a reduction of \$30 million or 22% versus the similar period last year.

Administrative cost for the three months was \$60 million an increase of \$6m or 11% above last year. The increased cost for the quarter is due to salary increases and staff training.

Net profit was \$35 million, a decrease of \$36 million or 51% % compared to the similar period last year.

Total assets less current liabilities were \$707 million, an increase of \$97 million or 16% over last year.

We express our sincere thanks and appreciation to every stakeholder who has played a part in our achievements. Our employees, customers, suppliers and shareholders have contributed tremendously and we are extremely grateful to you all.

Carol Clarke Webster

Chairman

Christopher Clarke

CEO/Director

Caribbean Cream Ltd.

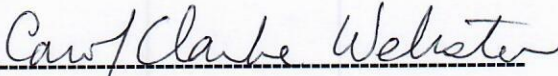
UNAUDITED INCOME STATEMENT Three months ended May 31, 2017


	Unaudited 3 months to May-17 S	Unaudited 3 months to May-16 S	Audited year ended Feb-17 S
Gross operating revenue	319,095,726	315,258,576	1,213,548,844
Cost of operating revenue	(211,738,615)	(177,481,563)	(755,160,366)
Gross Profit	107,357,111	137,777,013	458,388,478
Other income - separate interest income	592,900	588,700	2,299,345
	<u>107,950,011</u>	<u>138,365,713</u>	<u>460,687,823</u>
Administrative, selling & distribution expenses			
Administrative	(60,496,583)	(54,342,935)	(231,789,269)
Selling and distribution	(10,761,415)	(10,836,803)	(47,777,103)
	<u>(71,257,998)</u>	<u>(65,179,737)</u>	<u>(279,566,372)</u>
Operating profit before finance costs	36,692,013	73,185,976	181,121,451
Interest Income	1,312,701	987,836	5,025,616
Finance costs	(3,148,638)	(2,997,980)	(13,409,645)
Profit before taxation	<u>34,856,075</u>	<u>71,175,833</u>	<u>172,737,422</u>
Net Profit after taxation	<u>34,856,075</u>	<u>71,175,833</u>	<u>172,737,422</u>
Earnings per stock unit	<u>\$0.09</u>	<u>\$0.19</u>	<u>\$0.46</u>

Caribbean Cream Ltd.

UNAUDITED STATEMENT of FINANCIAL POSITION May 31, 2017

	Unaudited May-17 S	Unaudited May-16 S	Audited Feb-17 S
NON-CURRENT ASSET			
Property, plant and equipment	448,076,555	373,968,219	421,932,794
CURRENT ASSETS			
Inventories	148,668,385	75,028,240	161,221,320
Trade and other receivables	53,326,131	53,944,369	52,683,102
Cash and cash equivalents	155,614,932	194,673,767	176,182,137
Total current assets	357,609,448	323,646,376	390,086,559
CURRENT LIABILITIES			
Trade and other payables	83,391,133	69,540,106	119,054,700
Current portion of long-term loans	14,671,035	17,410,670	20,185,504
Total current liabilities	98,062,168	86,950,776	139,240,204
Net current assets	259,547,279	236,695,600	250,846,355
Total assets less current liabilities	707,623,834	610,663,819	672,779,149
NON-CURRENT LIABILITY			
Long term loans	81,633,589	102,162,831	81,644,979
Total non-current liability	81,633,589	102,162,831	81,644,979
EQUITY			
Share Capital	111,411,290	111,411,290	111,411,290
Revaluation Reserve	34,480,236	34,480,236	34,480,236
Accumulated profits	480,098,719	362,609,462	445,242,644
Total equity	625,990,245	508,500,988	591,134,170
Total non-current liability and equity	707,623,834	610,663,819	672,779,149


 Carol Clarke Webster Chairman


 Christopher Clarke CEO/Director

Caribbean Cream Ltd.

UNAUDITED STATEMENT of CHANGES in EQUITY Three months ended May 31, 2017

	Share Capital	Revaluation reserves	Retained earnings	Total
	S	S	S	S
Balances at February 29, 2016	111,411,290	34,480,236	291,433,629	437,325,155
Net profit for the period	-	-	71,175,833	71,175,833
Balances at May 31, 2016	111,411,290	34,480,236	362,609,462	508,500,988
Balances at February 28, 2017	111,411,290	34,480,236	445,242,644	591,134,170
Net profit for the period	-	-	34,856,075	34,856,075
Balances at May 31, 2017	111,411,290	34,480,236	480,098,719	625,990,245

Caribbean Cream Ltd.

UNAUDITED STATEMENT of CASH FLOW Three months ended May 31, 2017

	Unaudited 3 Months ended May-17 S	Unaudited 3 Months ended May-16 S	Audited year ended Feb-17 S
CASHFLOW FROM OPERATING ACTIVITIES			
Net profit for the year	34,856,075	71,175,833	172,737,422
Adjustments for:			
Depreciation	12,171,527	11,984,711	48,515,673
Deferred tax	-	3,223,047	-
Interest expense	3,783,087	(987,836)	11,480,042
Interest income	(1,312,701)		(5,025,616)
Gain on disposal of property, plant and equipment	(1,467,811)	-	(1,400,943)
Operating cash flows before movements in working capital	48,030,177	85,395,754	226,306,578
Trade and other receivables	(431,836)	(6,980,513)	(5,657,763)
Inventories	12,552,935	(1,685,208)	(87,878,289)
Trade and other payables	(35,663,566)	(1,836,098)	47,678,496
Interest paid	(3,783,087)	(3,223,047)	(11,480,041)
Interest received	1,101,507	987,836	4,964,133
Net cash provided by operating activities	21,806,130	72,658,724	173,933,114
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(38,315,287)	(24,625,271)	(112,136,732)
Proceeds from sale of fixed assets	1,467,811	-	4,416,867
Net cash used by investing activities	(36,847,476)	(24,625,271)	(107,719,865)
CASHFLOWS FROM FINANCING ACTIVITIES			
Dividend payment	-	-	(18,928,406)
Repayment of bank loans	(5,525,858)	(5,882,773)	(23,625,792)
Net cash used by financing activities	(5,525,858)	(5,882,773)	(42,554,198)
Net increase/(decrease) in cash resources	(20,567,204)	42,150,681	23,659,051
Cash and cash equivalents at beginning of year	176,182,137	152,523,086	152,523,086
CASH and CASH EQUIVALENTS at end of YEAR	155,614,932	194,673,767	176,182,137
Comprised of:			
Cash and bank balances	40,043,212	86,307,199	61,971,101
Fixed deposits	115,571,720	108,366,568	114,211,036
	155,614,932	194,673,767	176,182,137

Caribbean Cream Ltd.

Notes to the Unaudited Financial Statements Three months ended May 31, 2017

Identification and Principal Activities

Caribbean Cream Limited (the company) which is incorporated and domiciled in Jamaica is a listed company on the Junior Market of the Jamaica Stock Exchange (JSE). The company's registered office is located at 3 South Road, Kingston 10, Jamaica.

At the reporting date, Scoops Unlimited Limited, a company incorporated and domiciled in Jamaica, and its directors controlled the company by virtue of their direct holding of 78% of the issued shares of the company.

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 2017 and comply with the requirements of IAS 34, Interim Financial reporting.

Basis of measurement:

The unaudited financial statements are prepared on the historical cost basis, except for certain classes of property, plant and equipment which are carried at valuation, and are presented in Jamaica dollars, which is the functional currency of the company.

Caribbean Cream Ltd.

Notes to the Unaudited Financial Statements cont'd
Three months ended May 31, 2017

Significant accounting policies

Revenue

Revenue from sale of goods represents the invoiced value of goods and services, and is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or material associated costs on the possible return of goods.

Taxation

The Company is exempt from income tax, following its listing on the Junior Market of the Jamaica Stock Exchange since 17th May 2013.

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 MAY 31, 2017

Shareholder	Units
1. Scoops Un-Limited Limited	121,341,801
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	7,455,460
7. JI Limited	5,000,000
8. Mayberry West Indies Limited	4,500,405
9. Colin Steele	4,000,000
10. Mayberry Inv. Ltd Retirement Scheme	2,331,436

Caribbean Cream Ltd.

SHAREHOLDINGS OF DIRECTORS, SENIOR MANAGERS & CONNECTED PARTIES AS AT MAY 31, 2017

SHAREHOLDINGS OF DIRECTORS AND CONNECTED PARTIES

Director	Shareholdings	Connected Parties	Shareholdings
Carol Webster	58,521,764	Christopher Clarke Scoops Un-Limited Limited	121,341,801
Matthew G. Clarke	60,055,425	Scoops Un-Limited Limited	121,341,801
Christopher A. Clarke Christopher A. Clarke	30,133,399 5,000,000	Kamoy S. Clarke (joint holder) Scoops Un-Limited Limited	121,341,801
Mark McKenzie	1,287,558	---	
Wayne Wray	200,000 1,000,000 6,835	Christine Randle Craig A. Singh	
Michael Vacciana	0		
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	