



Second Quarter Unaudited Financial Statements

6 months
August 31, 2017

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Caribbean Cream Ltd.

UNAUDITED FINANCIAL RESULTS

Six months ended August 31, 2017

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

Quarter 2 Performance

Income Statement overview

	6 months ended August 31				3 months ended August 31			
	Yr 2017 \$'000	Yr 2016 \$'000	\$ Change	% Change	Yr 2017 \$'000	Yr 2016 \$'000	\$ Change	% Change
Revenue	673,262	614,899	58,362	9%	354,166	299,640	54,526	18%
Gross Profit	220,123	254,830	(34,708)	-14%	112,766	117,053	(4,288)	-4%
Net Profit	70,494	117,574	(47,080)	-40%	35,638	46,399	(10,762)	-23%

Revenue for the half year was \$673 million, an increase of 9% or \$58 million over the same period for 2016. For the quarter, revenue increased by 18% of \$54 million above the same period.

Cost of operating revenue for the half year was \$453 million, an increase over last year by \$93 million or 26%. The quarter was \$241 million, an increase of \$59m or 32% over the period. The escalation over last year is due to, increased costs of foreign exchange, utilities, labour and storage.

Gross profit realized for the half year was \$220 million, a reduction of \$35 million or 14%, and, for the quarter \$113 million a decrease of \$4 million or 4%.

Net Profit for the half year was \$70 million, a reduction of \$47 million or 40% less than the same period last year. The quarter was \$36 million, a decrease of \$11 million or 23% in comparison to the previous quarter. This impact was primarily a result of the lower gross profit. Overheads were largely in line with expectations.

Statement of Financial Position overview

Total assets less current liabilities were \$743 million, an increase of \$86 million or 13% above last year. The companies' cash position remains strong as it continues along its' capital investment programme that included \$102 million for property, plant and equipment.

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 Six months ended August 31, 2017

	Unaudited 6 months to Aug-17 \$	Unaudited 6 months to Aug-16 \$	Unaudited 3 months to Aug-17 \$	Unaudited 3 months to Aug-16 \$	Audited year ended Feb-17 \$
Gross operating revenue	673,262,030	614,898,774	354,166,305	299,640,198	1,213,548,844
Cost of operating revenue	(453,139,327)	(360,068,524)	(241,400,712)	(182,586,961)	(755,160,366)
Gross Profit	220,122,703	254,830,250	112,765,593	117,053,237	458,388,478
Other income	1,140,475	1,272,087	547,575	683,387	2,299,345
	221,263,179	256,102,338	113,313,168	117,736,625	460,687,823
Administrative, selling & distribution expenses					
Administrative	(125,427,644)	(113,702,443)	(64,931,060)	(59,359,508)	(231,789,269)
Selling and distribution	(21,416,999)	(22,266,544)	(10,655,584)	(11,429,741)	(47,777,103)
	(146,844,642)	(135,968,986)	-75,586,644	(70,789,249)	(279,566,372)
Operating profit before finance costs	74,418,536	120,133,352	37,726,523	46,947,376	181,121,451
Interest Income	2,339,747	2,345,518	1,027,046	1,357,681	5,025,616
Finance costs	(6,264,299)	(4,904,454)	(3,115,661)	(1,906,475)	(13,409,645)
Net Profit	70,493,984	117,574,415	35,637,909	46,398,583	172,737,422
Earnings per stock unit	\$0.19	\$0.31	\$0.09	\$0.12	\$0.46

Caribbean Cream Ltd.

UNAUDITED STATEMENT of FINANCIAL POSITION August 31, 2017

	Unaudited Aug-17 \$	Unaudited Aug-16 \$	Audited Feb-17 \$
NON-CURRENT ASSET			
Property, plant and equipment	498,830,848	405,603,111	421,932,794
CURRENT ASSETS			
Inventories	118,309,839	82,535,425	161,221,320
Trade and other receivables	58,411,425	46,505,360	52,683,102
Cash and cash equivalents	175,462,240	249,515,822	176,182,137
Total current assets	352,183,503	378,556,607	390,086,559
CURRENT LIABILITIES			
Trade and other payables	98,575,420	115,577,405	119,054,700
Current portion of long-term loans	9,454,648	11,607,114	20,185,504
Total current liabilities	108,030,068	127,184,519	139,240,204
Net current assets	244,153,435	251,372,088	250,846,355
Total assets less current liabilities	742,984,283	656,975,200	672,779,149
NON-CURRENT LIABILITY			
Long term loans	81,356,129	102,075,629	81,644,979
Total non-current liability	81,356,129	102,075,629	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	515,736,628	409,008,044	445,242,644
Total equity	661,628,154	554,899,570	591,134,170
Total non-current liability and equity	742,984,283	656,975,200	672,779,149



Carol Clarke Webster

Chairman



Christopher Clarke

CEO/Director

Caribbean Cream Ltd.

UNAUDITED STATEMENT of CHANGES in EQUITY

Six months ended August 31, 2017

	Share Capital \$	Revaluation reserves \$	Retained earnings \$	Total \$
Balances at February 29, 2016	111,411,290	34,480,236	291,433,629	437,325,155
Net profit for the period	-	-	117,574,415	117,574,415
Balances at August 31, 2016	111,411,290	34,480,236	409,008,044	554,899,570
Balances at February 28, 2017	111,411,290	34,480,236	445,242,644	591,134,170
Net profit for the period	-	-	70,493,984	70,493,984
Balances at August 31, 2017	111,411,290	34,480,236	515,736,628	661,628,154

Caribbean Cream Ltd.

UNAUDITED STATEMENT of CASH FLOW Six months ended August 31, 2017

	Unaudited 6 Months ended Aug-17 \$	Unaudited 6 Months ended Aug-16 \$	Audited year ended Feb-17 \$
CASHFLOW FROM OPERATING ACTIVITIES			
Net profit for the year	70,493,984	117,574,415	172,737,422
Adjustments for:			
Depreciation	25,150,293	24,096,486	48,515,673
Interest expense	6,074,710	6,097,145	11,480,042
Interest income	(2,339,747)	(2,345,518)	(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	97,911,429	145,422,528	226,306,578
Trade and other receivables	(5,640,815)	458,496	(5,657,763)
Inventories	42,911,482	(9,192,393)	(87,878,289)
Trade and other payables	(20,479,279)	44,201,200	47,678,496
Interest paid	(6,074,710)	(6,097,145)	(11,480,041)
Interest received	2,252,239	2,345,518	4,964,133
Net cash provided by operating activities	110,880,346	177,138,204	173,933,114
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(102,048,347)	(68,371,937)	(112,136,732)
Proceeds from sale of fixed assets	1,467,811	-	4,416,867
Net cash used by investing activities	(100,580,536)	(68,371,937)	(107,719,865)
CASHFLOWS FROM FINANCING ACTIVITIES			
Dividend payment	-	-	(18,928,406)
Repayment of bank loans	(11,019,706)	(11,773,531)	(23,625,792)
Net cash used by financing activities	(11,019,706)	(11,773,531)	(42,554,198)
Net increase/(decrease) in cash resources	(719,897)	96,992,735	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	175,462,240	249,515,821	176,182,137
Comprised of:			
Cash and bank balances	59,311,814	94,338,158	61,971,101
Fixed deposits	116,150,425	155,177,663	114,211,036
	175,462,240	249,515,821	176,182,137

Caribbean Cream Ltd.

Notes to the Unaudited Financial Statements Six months ended August 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
Six months ended August 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 AUGUST 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	7,710,000
7. JI Limited	5,000,000
8. Mayberry West Indies Limited	4,358,162
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 AUGUST 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 Vaccianna	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	