

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
FINANCIAL STATEMENTS
THREE MONTHS ENDED 31 MARCH 2018
(Unaudited)

Consolidated Bakeries (Jamaica) Limited

Financial Statements
For the three months ended 31 March 2018
(Unaudited)

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FINANCIAL STATEMENTS
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(Unaudited)

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CONSOLIDATED BAKERIES (JAMAICA) LIMITED

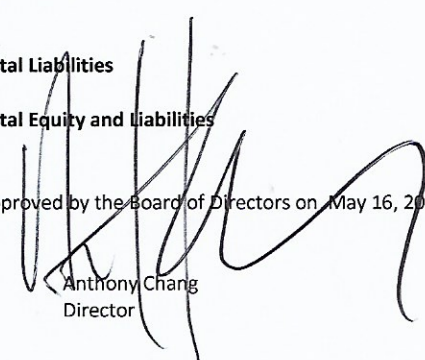
STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018


(Unaudited)

Expressed in whole \$	Notes	As at 31-March-18	As at 31-March-17	Audited 31-Dec-17
ASSETS:				
Property, plant and equipment	2d	685,498,411	494,335,937	688,413,659
Current assets:				
Inventories		35,109,751	38,526,198	35,007,985
Trade and other receivables		119,700,391	83,375,763	82,077,405
Deposit on equipment		6,234,359	1,127,130	-
Investments		42,598,502	71,725,918	42,297,331
Cash and cash equivalents	2e	74,158,591	76,427,126	74,339,438
Total current assets		277,801,594	271,182,134	233,722,159
Total Assets		963,300,006	765,518,071	922,135,818
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		537,342,437	330,854,047	537,342,437
Accumulated other comprehensive income		12,893,492	12,000,102	14,563,853
Retained earnings		73,607,188	98,811,043	52,939,330
Total Equity		735,395,313	553,217,388	716,397,816
LIABILITIES:				
Non-Current Liabilities:				
Long-term loans		76,316,919	53,507,133	63,521,298
Deferred tax liability		1,133,019	-	1,133,019
		77,449,938	53,507,133	64,654,317
Current Liabilities:				
Current portion of long-term loans		36,832,547	52,751,816	38,997,363
Accounts payable and accruals		97,334,230	93,362,488	77,190,103
Tax Liability		2,952,551	-	-
Bank overdraft		13,335,426	12,679,247	24,896,220
		150,454,754	158,793,550	141,083,690
Total Liabilities		227,904,692	212,300,684	205,738,003
Total Equity and Liabilities		963,300,006	765,518,071	922,135,818

Approved by the Board of Directors on May 16, 2018 and signed on its behalf by:



Anthony Chang
Director



Nicola Chang-Murphy
Director

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
THREE MONTHS ENDED 31 MARCH 2018
(Unaudited)

Expressed in whole \$	Notes	Qtr Ended 31-March-18	Qtr Ended 31-March-17	Audited Y/E 31-Dec-17
Revenue		271,044,598	227,912,559	862,605,620
Cost of sales		161,938,459	145,523,951	563,734,824
Gross profit		109,106,139	82,388,608	298,870,796
Other income		1,049,394	1,236,405	874,770
Administrative and other expenses		(49,712,612)	(42,747,631)	(155,172,621)
Selling and distribution expenses		(33,609,189)	(33,381,463)	(157,798,552)
Profit (Loss) from operations		26,833,731	7,495,919	(13,225,607)
Finance costs		(3,213,320)	(1,719,731)	(18,875,101)
Net Profit (loss) before tax		23,620,411	5,776,188	(32,100,708)
Tax		(2,952,551)	-	-
Deferred Tax		-	-	(7,994,819)
Net Profit (loss) after tax		20,667,860	5,776,188	(40,095,527)
Other comprehensive income				
<i>Those that might be reclassified to profit or loss in subsequent periods</i>				
Unrealized Gain/(Loss) on investments		(1,670,362)	35,738	2,599,490
Revaluation of property, plant and equipment - increment net of tax		-	-	206,488,390
Total comprehensive income		18,997,498	5,811,925	168,992,353
Earnings (loss) per share	2f	0.09	0.03	(0.18)

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CHANGES IN EQUITY
THREE MONTHS ENDED 31 MARCH 2018
(Unaudited)

Expressed in whole \$	Share Capital	Revaluation Reserve	Capital Reserve	Other Comp Income	Retained Earnings	Total
Balance at 31 December 2016	90,726,664	330,854,047	20,825,532	11,964,364	93,034,855	547,405,462
Net income	-	-	-	-	5,776,188	5,776,188
Fair value appreciation of available for sale investments	-	-	-	35,738	-	35,738
Balance at 31 March 2017	90,726,664	330,854,047	20,825,532	12,000,102	98,811,043	553,217,388
Balance at 31 December 2017	90,726,664	537,342,437	20,825,532	14,563,854	52,939,330	716,397,815
Net income	-	-	-	-	20,667,860	20,667,860
Fair value appreciation of available for sale investments	-	-	-	(1,670,362)	-	(1,670,362)
Balance at 31 March 2018	90,726,664	537,342,437	20,825,532	12,893,492	73,607,190	735,395,313

CONSOLIDATED BAKERIES (JAMAICA) LIMITED

STATEMENT OF CASH FLOWS

THREE MONTHS ENDED 31 MARCH 2018

(Unaudited)

Expressed in whole \$	Qtr Ended 31-March-18	Qtr Ended 31-March-17	Audited Y/E 31-Dec-17
SOURCES/(USES) OF CASH			
Operating Activities			
Total Comprehensive income	18,997,498	5,811,925	168,992,352
Tax expense	2,952,551	-	7,994,819
Revaluation of land and building	-	-	(206,488,390)
Disposal of Fixed asset	-	-	(263,639)
Items not affecting cash resources:			
Unrealised currency translation	1,670,362	(35,738)	(2,599,490)
Depreciation	7,440,941	7,613,963	30,427,314
	31,061,353	13,390,151	(1,937,034)
Change in working capital			
Inventories	(101,766)	(6,159,534)	(2,641,321)
Receivables	(39,293,348)	(8,099,867)	(6,837,248)
Related Parties	-	-	-
Payables	20,144,127	34,697,511	18,525,130
Deposit on Equipment	(6,234,359)	(1,127,130)	-
Net cash from operating activities	5,576,007	32,701,130	7,109,527
Investing Activities			
Purchase of fixed assets	(4,525,693)	(7,062,532)	(25,073,379)
Proceed from sale of fixed assets	-	-	1,010,000
Financial investments	(301,171)	(4,334,074)	27,694,002
Net cash from investing activities	(4,826,864)	(11,396,606)	3,630,624
Financing Activities			
Loan	10,630,805	34,760,740	31,020,450
Net cash from financing activities	10,630,805	34,760,740	31,020,450
Net increase cash and cash equivalents	11,379,947	56,065,264	41,760,603
Net cash and cash equivalents at beginning of year	49,443,218	7,682,615	7,682,615
Net cash and cash equivalents at end of the period	60,823,165	63,747,879	49,443,218
Represented by:			
Cash and cash equivalents	74,158,588	76,427,126	74,339,438
Bank overdraft	(13,335,426)	(12,679,247)	(24,896,220)
Net cash and cash equivalents at end of the period	60,823,165	63,747,879	49,443,218

CONSOLIDATED BAKERIES (JAMAICA) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****THREE MONTHS ENDED 31 MARCH 2018****(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 2018, 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 2017.

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 2017, 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 2017), then 50% for another 5 years from (2018 to 2022), 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-March-18	Qtr Ended 31-March-17	Audited Y/E 31-Dec-17
NBV as at start of the period	688,413,659	494,887,367	494,887,368
Acquisitions	4,525,693	7,062,532	25,073,379
Depreciation charge	(7,440,941)	(7,613,963)	(30,427,314)
Revaluation increment	-	-	199,626,589
Disposal of Fixed Asset Net	-	-	(746,363)
NBV as at end of period	<u>685,498,411</u>	<u>494,335,936</u>	<u>688,413,659</u>

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Cont'n)
THREE MONTHS ENDED 31 MARCH 2018
(Unaudited)

2. ACCOUNTING POLICIES (Cont'd)

(e) Cash & Cash Equivalents

Cash & cash equivalents include 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 (2016 - 222,709,171).

3. SHAREHOLDERS' INFORMATION at 31 March 2018

(a) Top Ten Shareholders

Chang Brothers Limited	136,496,956
Anthony Chang	19,200,468
General Accident Insurance Company Ja. Ltd.	11,863,631
Everton J Smith	5,258,235
David Chang	3,216,000
P.A.M. Ltd - Pooled Pension Equity Fund	2,481,241
Colin Steele	2,316,170
National Supply Company Ltd	2,029,805
Michael Subrate	2,000,000
JMMB Retirement Scheme	1,394,328

(b) Shareholdings of Directors and Senior Managers

Vincent Chang *	-
Anthony Chang *	19,200,468
Nicola Chang Murphy *	89,000
Noel daCosta	800,000
Philmore Ogle	800,000
Keith Collister	800,000
Victor Salazar-Chang	374,200
Thomas Chin	256,636

* Directors are major shareholders in Chang Brothers Limited.