

EVERYTHING FRESH LIMITED
UNAUDITED FINANCIAL STATEMENTS
NINE MONTHS ENDED SEPTEMBER 30, 2018

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EVERYTHING FRESH LIMITED
REPORT TO THE SHAREHOLDERS
FOR THE QUARTER ENDED SEPTEMBER 30, 2018

On Friday, June 22, 2018, the company's shares were listed on the Junior Market of the Jamaica Stock Exchange after a successful Initial Public Offering (IPO).

The Board of Directors of Everything Fresh Limited presents the company's unaudited results for its year-to-date and the third quarter ended September 30, 2018.

Income Statement

For the third quarter ended September 30th 2018, margins contracted because of temporary competitive pressures; as a result the company recorded a loss of \$17.5m, reflecting a decrease of 256% over the corresponding quarter ended September 30, 2017. This represents a decrease of \$28.7m over the quarter ended September 30, 2017.

Year-to-date (nine months ended September 30, 2018), profit decreased by \$7.6m or 22% to \$27.3m when compared to the profit of \$34.9m for corresponding period ended September 30, 2017.

Revenues for the quarter which ended September 30, 2018 of \$421.9m represents a \$28.3m (6%) decrease over the corresponding quarter ended September 30, 2017. Year-to-date sales (nine months ended September 30, 2018) increased by \$25.7m (2%) over the corresponding period ended September 30, 2017.

Total expenses of \$29.9m increased by \$4.8m (19%) when compared to the quarter ended September 30, 2017. Of this increase \$1.7m represents professional fees, \$0.7m directors' fee, and \$2.4m represents general administration.

Financial Position

Total assets as at September 30, 2018 of \$813m reflected an increase of \$338m (71%) when compared to the prior year September 30, 2017. This was due primarily to:

Current assets increased by \$314m (71%) when compared to the period ended September 30, 2017. This is as a result of an increase in cash arising from the issue of new shares in June 2018.

- Increases in Property, Plant and Equipment moved from \$31m at the beginning of the financial year to \$54m at the close of the third quarter, as the company increased its fleet of motor vehicles and expanded its cold room facility.

Courtney Pullen

Managing Director

EVERYTHING FRESH LIMITED**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****NINE MONTHS ENDED SEPTEMBER 30, 2018**

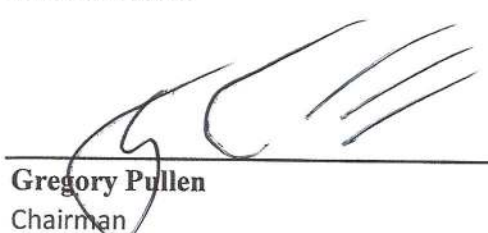
	Notes	3 mths SEPTEMBER <u>2018</u> \$	3 mths SEPTEMBER <u>2017</u> \$	9 mths SEPTEMBER <u>2018</u> \$	9 mths SEPTEMBER <u>2017</u> \$
Revenue		421,955,794	450,230,108	1,390,976,609	1,365,220,468
Cost of Sales		<u>410,590,905</u>	<u>414,618,257</u>	<u>1,271,961,600</u>	<u>1,257,232,880</u>
Gross Profit		11,364,889	35,611,851	119,015,009	107,987,588
 Other Operating Income		<u>1,007,459</u>	<u>758,777</u>	<u>1,040,697</u>	<u>2,008,061</u>
		12,372,348	36,370,628	120,055,706	109,995,649
 <u>Expenses</u>					
Administrative		25,792,016	20,764,812	79,303,858	61,968,221
Finance costs		<u>4,110,675</u>	<u>4,371,635</u>	<u>13,409,027</u>	<u>13,046,227</u>
		29,902,691	25,136,447	92,712,885	75,014,448
 Profit (loss)before Taxation		(17,530,343)	11,234,181	27,342,821	34,981,201
 Taxation		<u>-</u>	<u>1,957,997</u>	<u>8,267,534</u>	<u>6,257,820</u>
 Total comprehensive income		<u>(17,530,343)</u>	<u>9,276,184</u>	<u>19,075,287</u>	<u>28,723,381</u>
 Earnings(loss) per share (cents)		(0.05)	0.02	0.05	0.08

The calculation of the earnings per share for 2017 has been adjusted to reflect the shares issued and listed on the JSE Junior Market on Friday June 22, 2018. This has been done for comparative purposes.


EVERYTHING FRESH LIMITED**STATEMENT OF FINANCIAL POSITION**

September 30, 2018.

	Notes	Unaudited 2018 September \$	Unaudited 2017 September \$	Audited 2017 December \$
<u>ASSETS</u>				
<u>NON-CURRENT ASSETS</u>				
Property Plant & Equipment		53,845,472	29,757,274	30,975,053
Investment		1,000,000	1,000,000	1,000,000
Deferred Taxation		-	126,194	274,962
		<u>54,845,472</u>	<u>30,883,468</u>	<u>32,250,015</u>
<u>CURRENT ASSETS</u>				
Inventories		220,034,383	204,074,193	131,206,166
Trade receivables		166,983,353	173,018,167	221,216,882
Other receivables		98,805,990	37,222,674	38,061,871
Related Parties		-	30,344	30,344
Cash and cash equivalents		<u>272,291,972</u>	<u>29,705,559</u>	<u>65,789,325</u>
Total Current Assets		<u>758,115,698</u>	<u>444,050,937</u>	<u>456,304,588</u>
<u>CURRENT LIABILITIES</u>				
Trade and other payable		98,491,820	128,418,296	131,562,023
Bank Overdraft		-	3,100,388	609,377
Taxation		4,669,439	999,876	1,334,740
Bank Loans		<u>76,498,687</u>	<u>107,973,000</u>	<u>112,029,200</u>
Total Current Liabilities		<u>179,659,946</u>	<u>240,491,560</u>	<u>245,535,340</u>
Net Current Assets		<u>578,455,752</u>	<u>203,559,377</u>	<u>210,769,248</u>
		<u>633,301,224</u>	<u>234,442,845</u>	<u>243,019,263</u>
<u>Financed By:</u>				
Share Capital	3	371,276,330	100,000	100,000
Retained Earnings		<u>261,994,550</u>	<u>234,342,845</u>	<u>242,919,263</u>
		<u>633,270,880</u>	<u>234,442,845</u>	<u>243,019,263</u>
<u>NON-CURRENT LIABILITIES</u>				
Deferred Taxation		-	-	-
Related Parties		30,344	-	-
		<u>30,344</u>	<u>-</u>	<u>-</u>
		<u>633,301,224</u>	<u>234,442,845</u>	<u>243,019,263</u>



Gregory Pullen
Chairman



Courtney Pullen
Managing Director

EVERYTHING FRESH LIMITED**STATEMENT OF CHANGES IN EQUITY****NINE MONTHS ENDED SEPTEMBER 30, 2018**

	<u>No. of Shares units</u>	<u>Share Capital \$</u>	<u>Retained Earnings \$</u>	<u>Total \$</u>
Balance at December 31, 2016	100,000	100,000	205,619,464	205,719,464
Profit for the period		-	28,723,381	28,723,381
Balance at September 30, 2017	<u>100,000</u>	<u>100,000</u>	<u>234,342,845</u>	<u>234,442,845</u>
Balance at December 31, 2017	100,000	100,000	242,919,263	243,019,263
Profit for the period			19,075,287	19,075,287
Shares Issued	<u>779,900,000</u>	<u>371,176,330</u>	-	<u>371,176,330</u>
Balance at September 30, 2018	<u>780,000,000</u>	<u>371,276,330</u>	<u>261,994,550</u>	<u>633,270,880</u>

EVERYTHING FRESH LIMITED

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STATEMENT OF CASH FLOWS**NINE MONTHS ENDED SEPTEMBER 30, 2018**

	Unaudited	
	2018	2017
	September	September
	\$	\$
Cash flow from operating activities		
Net profit after tax	19,075,287	28,723,381
Adjustments for:		
Depreciation	5,403,819	4,646,121
Interest expense	10,417,801	15,245,047
Taxation	<u>8,293,502</u>	<u>6,072,277</u>
	43,190,409	54,686,826
Changes in Non-Cash Working Capital		
Inventories	(88,828,217)	(65,803,082)
Trade and Other Receivables	(6,510,590)	38,470,639
Trade and Other Payables	<u>(33,070,202)</u>	<u>11,313,848</u>
	(128,409,009)	(16,018,595)
Tax paid	(4,683,842)	(13,297,008)
Interest paid	<u>(10,417,801)</u>	<u>(15,245,047)</u>
	(143,510,652)	(44,560,650)
Net cash (used in)/provided by operations	(100,320,243)	10,126,176
Cash Flows from Investment Activities		
Acquisition of Property Plant and Equipment	<u>(28,274,238)</u>	<u>(5,111,642)</u>
Cash used in investment activities	(28,274,238)	(5,111,642)
Cash Flows From Financing activities		
Issue of Shares (net)	371,176,330	-
Related Accounts	60,688	(23,481)
Bank Loans	<u>(35,530,513)</u>	<u>(535,433)</u>
Net cash (used in)/provided by financing activities	335,706,505	(558,914)
Net Change in Cash and Cash Equivalents	207,112,024	4,455,620
Cash and Cash Equivalents at beginning of the period	<u>65,179,948</u>	<u>22,149,551</u>
Cash and Cash Equivalents at end of the period	<u>272,291,972</u>	<u>26,605,171</u>
Represented by:		
Bank Overdraft		(3,100,388)
Cash and Bank Balances	<u>272,291,972</u>	<u>29,705,559</u>
	<u>272,291,972</u>	<u>26,605,171</u>

NOTES TO FINANCIAL STATEMENTS**NINE MONTHS ENDED SEPTEMBER 30, 2018****(1) IDENTIFICATION**

Everything Fresh Limited is incorporated and domiciled in Jamaica .Its registered office is located at 78 Marcus Garvey Drive, Kingston 11.

The Company operates as importers/distributors of dry goods, fruits, vegetables, meats, seafood and dairy products.

The company's shares were listed on the Jamaica Junior Stock Exchange on June 22, 2018.

(2) ACCOUNTING POLICIES:

- a. The financial statements are prepared in accordance with International Financial Reporting Standard (IFRSs) and their interpretations issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.
- b. Accounts are prepared under the historical cost conventions.
- c. The accounting policies followed in the interim financial Statements are consistent with those used in the audited financial statements for the year ended December 31, 2017.
- d. The financial statements are presented in Jamaican dollars.

(3) Share Capital

	2018	2017
Authorised	\$	\$
1,000,000,000 Ordinary Shares of no par value (2017 - 100,000)		
Issued and fully paid		
780,000,000 Ordinary Shares of no par value (2017 - 100,000)	371,276,330	100,000
(net of transaction costs)		

(4) Depreciation of Property Plant and Equipment

Depreciation is based on the estimated useful lives of the depreciable assets and is calculated by the straight-line method at the following rates:

Computer Equipment	22.50%
Motor Vehicles	12.50%
Warehouse Equipment	10%
Warehouse Improvement	10%
Furniture and Fittings	10%
Cold Storage Rooms	10%

**DIRECTORS AND CONNECTED PARTIES SHAREHOLDINGS
AS AT SEPTEMBER 30, 2018**

PRIMARY HOLDER	DIRECT	CONNECTED PARTY	TOTAL	PERCENTAGE
Courtney Pullen	-	624,000,000	624,000,000	80
Melene Pullen	-	624,000,000	624,000,000	80
Garret Gardner	-	624,000,000	624,000,000	80
Nesha Carby	-	624,000,000	624,000,000	80
Jennifer Lewis	-	-	-	-
Gregory Pullen	4,350,502	119,000	4,469,502	0.573
Donovan Perkins	453,814	-	453,814	0.0582
Vivette Miller	80,000	-	80,000	0.0103
Mark Croskery	-	200,000	200,000	0.0256
Leo Williams (mentor)	1,160,000	-	1,160,000	0.1487
Total	6,044,316	624,319,000	630,363,316	

**SENIOR MANAGERS AND CONNECTED PARTIES SHAREHOLDINGS
AS AT SEPTEMBER 30, 2018**

PRIMARY HOLDER	DIRECT	CONNECTED PARTY	TOTAL	PERCENTAGE
Jacqueline Archie	43,000	-	43,000	0.0055
Arthur Haye	120,000	-	120,000	0.0154
Steve Gardner	-	-	-	-
Natoya Shakespeare	625,000	-	625,000	0.0801
Amanda Gardner	263,000	-	263,000	0.0337
Total	1,051,000	-	1,051,000	

**TOP TEN SHAREHOLDINGS
AS AT SEPTEMBER 30, 2018**

PRIMARY HOLDER	JOINT HOLDER	TOTAL	PERCENTAGE
Quality Investments Ltd	-	624,000,000	80
Stocks & Securities Ltd (Alpha)	-	68,566,700	8.7906
Star Holdings Limited	-	5,000,000	0.641
Gregory Pullen	Shemala Mitchell	4,469,502	0.573
Anthony Chance	Claudine Chance	3,000,000	0.3846
Andrew Pairman	Paula Pairman	2,586,000	0.3315
Caribbean Foods Limited	-	2,000,000	0.2564
Chas E. Ramson Limited	-	1,200,000	0.1538
Carlisle Allister Howson	Andrea Marie Senior-Howson	1,200,000	0.1538
Leo Williams	-	1,160,000	0.1487
SSL Money Managers Growth	-	1,070,990	0.1373
Total	-	714,253,192	