

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
FINANCIAL STATEMENTS
NINE MONTHS ENDED 30 September 2018
(Unaudited)

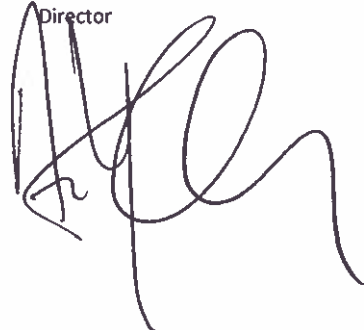
	Page
Statement of financial position	1
Income statement and statement of comprehensive income	2
Statement of changes in equity	3
Statement of cash flows	4
Notes to the financial statements	5 - 6

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018
(Unaudited)

Expressed in whole \$	Notes	As at 30-Sept-18	As at 30-Sept-17	Audited 31-Dec-17
ASSETS:				
Property, plant and equipment	2d	712,722,063	487,529,070	688,413,659
Current assets:				
Inventories		42,706,538	29,265,255	35,007,985
Trade and other receivables		87,125,465	79,772,286	82,077,405
Deposit on equipment		8,367,551	12,063,096	-
Investments		46,180,152	58,052,804	42,297,331
Cash and cash equivalents	2e	58,430,630	48,704,774	74,339,438
Total current assets		242,810,336	227,858,215	233,722,159
Total Assets		955,532,400	715,387,288	922,135,818
EQUITY:				
Share capital		90,726,665	90,726,664	90,726,664
Capital reserve		20,825,533	20,825,532	20,825,532
Revaluation reserves		537,342,438	330,854,047	537,342,437
Accumulated other comprehensive income		17,208,912	14,083,478	14,563,853
Retained earnings		73,053,182	70,178,741	52,939,330
Total Equity		739,156,729	526,668,462	716,397,818
LIABILITIES:				
Non-Current Liabilities:				
Long-term loans		69,381,947	36,929,988	63,521,298
Deferred tax liability		-	-	1,133,019
		69,381,947	36,929,988	64,654,317
Current Liabilities:				
Current portion of long-term loans		34,414,897	44,943,633	38,997,363
Accounts payable and accruals		104,110,461	83,539,868	77,190,103
Tax Liability		2,873,407	-	-
Bank overdraft		5,594,960	23,305,337	24,896,220
		146,993,723	151,788,838	141,083,690
Total Liabilities		216,375,670	188,718,826	205,738,003
Total Equity and Liabilities		955,532,400	715,387,288	922,135,818

Approved by the Board of Directors on October 31, 2018 and signed on its behalf by:

Anthony Chang
Director



Vincent Chang
Director



CONSOLIDATED BAKERIES (JAMAICA) LIMITED
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
NINE MONTHS ENDED 30 September 2018
(Unaudited)

Page 2

Expressed in whole \$	Notes	Qtr Ended 30-Sept-18	Qtr Ended 30-Sept-17	YTD Ended 30-Sept-18	YTD Ended 30-Sept-17
Revenue		223,915,230	195,611,648	716,452,272	643,070,074
Cost of sales		140,861,682	134,578,274	446,745,225	430,794,096
Gross profit		83,053,547	61,033,374	269,707,047	212,275,978
Other income		1,465,441	1,057,858	3,118,508	3,379,551
Administrative and other expenses		(44,273,685)	(40,551,887)	(136,297,565)	(132,191,485)
Selling and distribution expenses		(37,069,578)	(34,904,957)	(103,988,242)	(102,949,136)
Profit/(Loss) from operations		3,175,725	(13,365,612)	32,539,747	(19,485,092)
Finance costs		(2,788,781)	(838,360)	(9,552,489)	(3,371,022)
Profit/(Loss) before tax		386,944	(14,203,973)	22,987,258	(22,856,114)
Tax		(48,368)	-	(2,873,407)	-
Profit/(Loss) for the period		338,576	(14,203,973)	20,113,851	(22,856,114)
Other Comprehensive Income					
Those that might be reclassified to profit or loss in subsequent periods					
<i>Unrealized Gain on investments</i>		2,421,102	3,000,071	2,645,058	2,119,114
Total Other Comprehensive Income/(Loss)		2,759,678	(11,203,901)	22,758,909	(20,737,001)
Earnings gain(loss) per share	2f	0.002	(0.06)	0.09	(0.10)

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CHANGES IN EQUITY
NINE MONTHS ENDED 30 September 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
(Loss)/ Profit before tax	-	-	-	-	(22,856,114)	(22,856,114)
Fair value appreciation of available for sale investments	-	-	-	2,119,114	-	2,119,114
Balance at 30 September 2017	90,726,664	330,854,047	20,825,532	14,083,478	70,178,741	526,668,462
Balance at 31 December 2017	90,726,664	537,342,437	20,825,532	14,563,853	52,939,330	716,397,815
Net Profit for the period	-	-	-	-	20,113,851	20,113,851
Fair value appreciation of available for sale investments	-	-	-	2,645,058	-	2,645,058
Balance at 30 September 2018	90,726,665	537,342,438	20,825,533	17,208,912	73,053,182	739,156,724

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CASH FLOWS
NINE MONTHS ENDED 30 September 2018
(Unaudited)

Page 4

Expressed in whole \$	YTD Ended 30-Sept-18	YTD Ended 30-Sept-17	Audited Y/E 31-Dec-17
SOURCES/(USES) OF CASH			
Operating Activities			
Total Other Comprehensive Income/(Loss)	22,758,909	(20,737,000)	168,992,352
Tax expense	2,873,407	-	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	(2,645,058)	(2,119,114)	(2,599,490)
Depreciation	22,664,701	22,799,879	30,427,314
	<u>45,651,959</u>	<u>(56,235)</u>	<u>(1,937,034)</u>
Change in working capital			
Inventories	(7,698,553)	3,101,409	(2,641,321)
Receivables	(5,048,060)	(4,532,128)	(6,837,248)
Payables	26,920,361	24,874,892	18,525,130
Deposit on Equipment	(8,367,551)	(10,935,966)	-
Net cash from operating activities	<u>51,458,156</u>	<u>12,451,972</u>	<u>7,109,527</u>
Investing Activities			
Purchase of fixed assets	(46,973,105)	(15,441,582)	(25,073,379)
Proceed from sale of fixed assets	-	-	1,010,000
Appreciation of Available for Sale Investments	2,645,058	2,119,114	-
Financial investments	(3,882,821)	9,339,040	27,694,002
Net cash from investing activities	<u>(48,210,869)</u>	<u>(3,983,428)</u>	<u>3,630,624</u>
Financing Activities			
Loan	1,278,184	10,375,411	31,020,450
Deffered Tax Liability	(1,133,019)	-	-
Net cash from financing activities	<u>145,165</u>	<u>10,375,411</u>	<u>31,020,450</u>
Net increase cash and cash equivalents	3,392,453	18,843,952	41,760,603
Net cash and cash equivalents at beginning of year	<u>49,443,218</u>	<u>6,555,485</u>	<u>7,682,615</u>
Net cash and cash equivalents at end of the period	<u>52,835,670</u>	<u>25,399,437</u>	<u>49,443,218</u>
Represented by:			
Cash and cash equivalents	58,430,630	48,704,774	74,339,438
Bank overdraft	(5,594,960)	(23,305,337)	(24,896,220)
Net cash and cash equivalents at end of the period	<u>52,835,670</u>	<u>25,399,437</u>	<u>49,443,218</u>

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 30 September 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 \$	YTD Ended 30-Sept-18	YTD Ended 30-Sept-2017	Audited Y/E 31-Dec-17
NBV as at start of the period	688,413,659	494,887,367	494,887,368
Acquisitions	46,973,105	15,441,582	25,073,379
Depreciation charge	(22,664,701)	(22,799,879)	(30,427,314)
Revaluation increment	-	-	199,626,589
Disposal of Fixed Asset Net	-	-	(746,363)
NBV as at end of period	<u>712,722,063</u>	<u>487,529,070</u>	<u>688,413,659</u>

2. ACCOUNTING POLICIES (Cont'd)

- (e) Cash & Cash Equivalents are held for the purpose of meeting short-term commitments rather than for investments.

Cash & cash equivalents include investments with settlement date of 90 days or less.

- (f) Earnings per Share

Earning per share have been calculated by dividing the Profit/(Loss) for the period by the total number of shares at the end of respective period 222,709,171 (2017 - 222,709,171)

3. SHAREHOLDERS' INFORMATION at 30 Sept 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	5,506,647
David Chang	3,216,000
P.A.M. Ltd - Pooled Pension Equity Fund	2,481,241
Colin Steele	2,400,649
National Supply Company Ltd	2,029,805
Michael Subratie	2,000,000
JMMB Retirement Scheme	1,394,328

- (b) Shareholdings of Directors and Senior Managers

Vincent Chang *	nil
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	194,392
Thomas Chin	256,636

* Directors are major shareholders in Chang Brothers Limited.