

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
**FINANCIAL STATEMENTS**  
**SIX MONTHS ENDED 30 JUNE 2019**  
**(Unaudited)**

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 (Unaudited)

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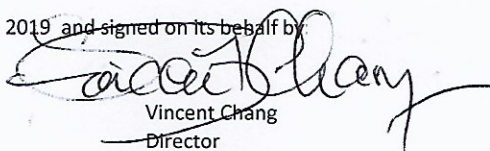
*[Handwritten signatures and text, likely representing the company's approval of the financial statements.]*

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**  
**(Unaudited)**

Expressed in whole \$	Notes	As at 30-June-19	As at 30-June-18	Audited 31-Dec-18
<b>ASSETS:</b>				
Property, plant and equipment	2d	732,930,639	707,623,642	724,800,556
Current assets:				
Inventories		46,902,704	39,330,617	43,341,568
Trade and other receivables		91,556,564	96,391,925	93,930,656
Deposit on equipment		8,427,050	6,234,399	-
Investments		46,107,869	44,017,115	43,453,292
Cash and cash equivalents	2e	74,040,489	54,630,030	77,612,690
Total current assets		<u>267,034,676</u>	<u>240,604,086</u>	<u>258,338,206</u>
<b>Total Assets</b>		<b><u>999,965,314</u></b>	<b><u>948,227,729</u></b>	<b><u>983,138,762</u></b>
<b>EQUITY:</b>				
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	537,342,437	537,342,437
Accumulated other comprehensive income		9,163,500	14,787,809	5,867,911
Retained earnings		<u>79,528,341</u>	<u>72,714,604</u>	<u>65,898,345</u>
<b>Total Equity</b>		<b><u>737,586,474</u></b>	<b><u>736,397,046</u></b>	<b><u>720,660,889</u></b>
<b>LIABILITIES:</b>				
Non-Current Liabilities:				
Long-term loans		111,767,015	72,226,667	95,265,269
Deferred tax liability		-	-	7,023,952
		<u>111,767,015</u>	<u>72,226,667</u>	<u>102,289,221</u>
Current Liabilities:				
Current portion of long-term loans		7,860,060	34,621,142	21,962,148
Accounts payable and accruals		92,449,709	93,706,099	106,666,101
Tax Liability		1,947,142	2,825,039	-
Bank overdraft		<u>48,354,915</u>	<u>8,451,735</u>	<u>31,560,403</u>
		<u>150,611,826</u>	<u>139,604,015</u>	<u>160,188,652</u>
<b>Total Liabilities</b>		<b><u>262,378,841</u></b>	<b><u>211,830,682</u></b>	<b><u>262,477,873</u></b>
<b>Total Equity and Liabilities</b>		<b><u>999,965,314</u></b>	<b><u>948,227,729</u></b>	<b><u>983,138,762</u></b>

Approved by the Board of Directors on \_\_\_\_\_, 2019 and signed on its behalf by

  
 Nicola Chang Murphy  
 Director

  
 Vincent Chang  
 Director

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
**INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME**  
**SIX MONTHS ENDED 30 JUNE 2019**  
(Unaudited)

Expressed in whole \$	Notes	Qtr Ended 30-June-19	Qtr Ended 30-June-18	YTD Ended 30-June-19	YTD Ended 30-June-18
Revenue		275,033,780	221,492,444	548,667,029	492,537,042
Cost of sales		177,940,190	136,204,219	339,283,956	290,546,406
<b>Gross profit</b>		97,093,591 -	85,288,225	209,383,073	201,990,636
Depreciation		(7,927,593)	(7,740,865)	(15,405,516)	(15,337,137)
Administrative and other expenses		(47,571,815)	(42,311,268)	(97,141,292)	(92,023,880)
Selling and distribution expenses		(39,517,847)	(33,309,475)	(77,303,222)	(66,918,664)
<b>Profit from operations</b>		2,076,335 -	1,926,617	19,533,043	27,710,955
Interest and Other income		642,631	603,673	1,473,885	1,653,067
Finance costs		(2,657,267)	(3,550,388)	(5,429,789)	(6,763,708)
<b>Profit before tax</b>		61,700 -	(1,020,098)	15,577,138	22,600,313
<b>Tax</b>		(7,712)	127,512	(1,947,142)	(2,825,039)
<b>Net Profit</b>		53,987 -	(892,585)	13,629,996	19,775,274
<b>Other comprehensive income</b>					
Those that might be reclassified to profit or loss in subsequent periods					
<i>Unrealized Gain on investments</i>		4,261,081	1,894,318	3,295,589	223,956
<b>Total comprehensive income</b>		4,315,068 -	1,001,732	16,925,585	19,999,230
Earnings gain(loss) per share	2f	0.000	(0.004)	0.06	0.09

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**SIX MONTHS ENDED 30 JUNE 2019**  
(Unaudited)

Expressed in whole \$	Share Capital	Revaluation Reserve	Capital Reserve	Other Comp Income	Retained Earnings	Total
Balance at 31 December 2017	90,726,664	537,342,437	20,825,532	14,563,853	52,939,330	716,397,816
Net income	-	-	-	-	19,775,274	19,775,274
Fair value appreciation of available for sale investments	-	-	-	223,956	-	223,956
<b>Balance at 30 June 2018</b>	<b>90,726,664</b>	<b>537,342,437</b>	<b>20,825,532</b>	<b>14,787,809</b>	<b>72,714,604</b>	<b>736,397,046</b>
Balance at 31 December 2018	90,726,664	537,342,437	20,825,532	5,867,911	65,898,345	720,660,889
Net profit for the period	-	-	-	-	13,629,996	13,629,996
Fair value appreciation of available for sale investments	-	-	-	3,295,589	-	3,295,589
<b>Balance at 30 June 2019</b>	<b>90,726,664</b>	<b>537,342,437</b>	<b>20,825,532</b>	<b>9,163,500</b>	<b>79,528,341</b>	<b>737,586,474</b>

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
**STATEMENT OF CASH FLOWS**  
**SIX MONTHS ENDED 30 JUNE 2019**  
(Unaudited)

Expressed in whole \$	YTD Ended 30-June-19	YTD Ended 30-June-18	Audited Y/E 31-Dec-18
<b>SOURCES/(USES) OF CASH</b>			
Operating Activities			
Total Comprehensive income	16,925,585	19,999,230	4,263,075
Tax expense	1,947,142	2,825,039	5,890,933
Items not affecting cash resources:			
Unrealised currency translation	(3,295,589)	(223,956)	(268,421)
Depreciation	15,405,516	15,337,137	27,371,857
	30,982,654	37,937,450	37,257,444
Change in working capital			
Inventories	(3,561,136)	(4,322,632)	(8,333,582)
Receivables	2,374,092	(14,090,564)	(11,853,253)
Payables	(16,163,534)	16,515,996	29,475,994
Deposit on Equipment	(8,427,050)	(6,234,399)	-
Net cash from operating activities	5,205,026	29,805,851	46,546,603
Investing Activities			
Purchase of fixed assets	(23,535,599)	(34,547,119)	(63,758,754)
Proceed from sale of fixed assets	-	-	-
Financial investments	641,012	(1,719,784)	(887,538)
Net cash from investing activities	(22,894,587)	(36,266,903)	(64,646,292)
Financing Activities			
Loan	2,399,658	4,329,149	14,708,758
Tax and Deferred Tax Liability	(5,076,810)	(1,133,019)	-
Net cash from financing activities	(2,677,152)	3,196,130	14,708,758
Net increase cash and cash equivalents	(20,366,713)	(3,264,922)	(3,390,931)
Net cash and cash equivalents at beginning of year	46,052,287	49,443,218	49,443,218
Net cash and cash equivalents at end of the period	25,685,574	46,178,295	46,052,287
Represented by:			
Cash and cash equivalents	74,040,489	54,630,030	77,612,690
Bank overdraft	(48,354,915)	(8,451,735)	(31,560,403)
Net cash and cash equivalents at end of the period	25,685,574	46,178,295	46,052,287

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
 NOTES TO THE FINANCIAL STATEMENTS  
 SIX MONTHS ENDED 30 JUNE 2019  
 (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 30 June 2019, 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 2018.

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 2018, 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-June-19	YTD Ended 30-June-18	Audited Y/E 31-Dec-18
NBV as at start of the period	724,800,556	688,413,659	688,413,659
Acquisitions	23,535,599	34,547,119	63,758,754
Depreciation charge	(15,405,516)	(15,337,137)	(27,371,857)
NBV as at end of period	732,930,639	707,623,641	724,800,556

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
 NOTES TO THE FINANCIAL STATEMENTS (Cont'n)  
 SIX MONTHS ENDED 30 JUNE 2019  
 (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 profit/(loss) by the total number of shares at the end of the respective period 222,709,171 (2016 - 222,709,171).

3. SHAREHOLDERS' INFORMATION at 30 June 2019

(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	5,989,776
David Chang	3,216,000
P.A.M. Ltd - Pooled Pension Equity Fund	2,481,241
Colin Steele	2,944,468
National Supply Company Ltd	2,029,805
Michael Subratie	2,452,590
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.