

**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
FINANCIAL STATEMENTS  
NINE MONTHS ENDED 30 SEPTEMBER 2019  
(Unaudited)

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

Expressed in whole \$	Notes	As at 30-Sept-19	As at 30-Sept-18	Audited 31-Dec-18
<b>ASSETS:</b>				
Property, plant and equipment	2d	743,395,313	712,722,063	724,800,556
Current assets:				
Inventories		53,086,414	42,706,538	43,341,568
Trade and other receivables		95,366,879	87,125,465	93,930,656
Deposit on equipment		4,694,529	8,367,551	-
Investments		48,829,621	46,180,152	43,453,292
Cash and cash equivalents	2e	66,574,025	58,430,630	77,612,690
Total current assets		<u>268,551,468</u>	<u>242,810,336</u>	<u>258,338,206</u>
<b>Total Assets</b>		<b><u>1,011,946,781</u></b>	<b><u>955,532,400</u></b>	<b><u>983,138,762</u></b>
<b>EQUITY:</b>				
Share capital		90,726,664	90,726,665	90,726,664
Capital reserve		20,825,532	20,825,532	20,825,532
Revaluation reserves		537,342,437	537,342,438	537,342,437
Accumulated other comprehensive income		12,290,813	17,208,912	5,867,911
Retained earnings		79,445,759	73,053,182	65,898,345
<b>Total Equity</b>		<b><u>740,631,205</u></b>	<b><u>739,156,729</u></b>	<b><u>720,660,889</u></b>
<b>LIABILITIES:</b>				
Non-Current Liabilities:				
Long-term loans		107,647,203	69,381,947	95,265,269
Deferred tax liability		-	-	7,023,952
		<u>107,647,203</u>	<u>69,381,947</u>	<u>102,289,221</u>
Current Liabilities:				
Current portion of long-term loans		7,581,311	34,414,897	21,962,148
Accounts payable and accruals		110,480,743	104,110,461	106,666,101
Tax Liability		-	2,873,407	-
Bank overdraft		45,606,319	5,594,960	31,560,403
		<u>163,668,373</u>	<u>146,993,725</u>	<u>160,188,652</u>
<b>Total Liabilities</b>		<b><u>271,315,576</u></b>	<b><u>216,375,670</u></b>	<b><u>262,477,873</u></b>
<b>Total Equity and Liabilities</b>		<b><u>1,011,946,781</u></b>	<b><u>955,532,400</u></b>	<b><u>983,138,762</u></b>

Approved by the Board of Directors on \_\_\_\_\_ 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 2019**  
(Unaudited)

Expressed in whole \$	Notes	Qtr Ended 30-Sept-19	Qtr Ended 30-Sept-18	YTD Ended 30-Sept-19	YTD Ended 30-Sept-18
Revenue		238,049,298	223,915,230	786,716,327	716,452,272
Cost of sales		145,387,617	136,939,479	484,671,573	435,082,155
<b>Gross profit</b>		92,661,681	86,975,751	302,044,754	281,370,117
Depreciation		(7,909,404)	(7,327,563)	(23,314,920)	(22,664,700)
Administrative and other expenses		(48,402,486)	(43,376,523)	(145,543,778)	(132,340,240)
Selling and distribution expenses		(35,856,409)	(34,561,380)	(113,159,631)	(96,943,937)
<b>Profit from operations</b>		493,382	1,710,284	20,026,425	29,421,240
Interest and Other Income		2,187,140	1,465,441	3,661,024	3,118,508
Finance costs		(2,774,901)	(2,788,781)	(8,204,690)	(9,552,489)
<b>(Loss) profit before tax</b>		(94,379)	386,944	15,482,759	22,987,259
<b>Tax</b>		11,797	(48,368)	(1,935,345)	(2,873,407)
<b>Net (Loss) profit</b>		(82,581)	338,576	13,547,414	20,113,852
<b>Other comprehensive income</b>					
Those that might be reclassified to profit or loss in subsequent periods					
<i>Unrealized Gain on investments</i>		3,127,313	2,421,102	6,422,902	2,645,058
<b>Total comprehensive income</b>		3,044,732	2,759,678	19,970,316	22,758,909
Earnings gain(loss) per share	2f	(0.0004)	0.002	0.06	0.09

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

<b>Expressed in whole \$</b>	<b>Share Capital</b>	<b>Revaluation Reserve</b>	<b>Capital Reserve</b>	<b>Other Comp Income</b>	<b>Retained Earnings</b>	<b>Total</b>
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	-	-	-	-	20,113,851	20,113,851
Fair value appreciation of available for sale investments	-	-	-	2,645,058	-	2,645,058
<b>Balance at 30 September 2018</b>	<b>90,726,664</b>	<b>537,342,437</b>	<b>20,825,532</b>	<b>17,208,911</b>	<b>73,053,181</b>	<b>739,156,725</b>
Balance at 31 December 2018	90,726,664	537,342,437	20,825,532	5,867,911	65,898,345	720,660,888
Net profit for the period	-	-	-	-	13,547,414	13,547,414
Fair value appreciation of available for sale investments	-	-	-	6,422,902	-	6,422,902
<b>Balance at 30 September 2019</b>	<b>90,726,664</b>	<b>537,342,437</b>	<b>20,825,532</b>	<b>12,290,813</b>	<b>79,445,759</b>	<b>740,631,205</b>



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

Expressed in whole \$	YTD Ended 30-Sept-19	YTD Ended 30-Sept-18	Audited Y/E 31-Dec-18
<b>SOURCES/(USES) OF CASH</b>			
Operating Activities			
Total Comprehensive income	19,970,316	22,758,909	4,263,075
Tax expense	1,935,345	2,873,407	5,890,933
Unrealised currency translation	(6,422,902)	(2,645,058)	(268,421)
Depreciation	23,314,920	22,664,701	27,371,857
	<u>38,797,679</u>	<u>45,651,959</u>	<u>37,257,444</u>
Change in working capital			
Inventories	(9,744,846)	(7,698,553)	(8,333,582)
Receivables	(1,436,223)	(5,048,060)	(11,853,253)
Payables	3,814,642	26,920,361	29,475,994
Deposit on Equipment	(4,694,529)	(8,367,551)	-
	<u>26,736,722</u>	<u>51,458,156</u>	<u>46,546,603</u>
Net cash from operating activities			
Investing Activities			
Purchase of fixed assets	(41,909,677)	(46,973,105)	(63,758,754)
Appreciation of Available for Sale Investments	6,422,902	2,645,058	-
Financial investments	(5,376,329)	(3,882,821)	(887,538)
	<u>(40,863,104)</u>	<u>(48,210,869)</u>	<u>(64,646,292)</u>
Net cash from investing activities			
Financing Activities			
Loan	(1,998,903)	1,278,184	14,708,758
Deferred Tax Liability	(8,959,297)	(1,133,019)	-
	<u>(10,958,200)</u>	<u>145,165</u>	<u>14,708,758</u>
Net cash from financing activities			
Net (decrease) increase in cash and cash equivalents	(25,084,582)	3,392,452	(3,390,931)
Net cash and cash equivalents at beginning of year	46,052,287	49,443,218	49,443,218
	<u>20,967,706</u>	<u>52,835,670</u>	<u>46,052,287</u>
Net cash and cash equivalents at end of the period			
Represented by:			
Cash and cash equivalents	66,574,025	58,430,630	77,612,690
Bank overdraft	(45,606,319)	(5,594,960)	(31,560,403)
	<u>20,967,706</u>	<u>52,835,670</u>	<u>46,052,287</u>
Net cash and cash equivalents at end of the period			



**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**  
 NOTES TO THE FINANCIAL STATEMENTS  
 NINE MONTHS ENDED 30 SEPTEMBER 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 September 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-Sept-19	YTD Ended 30-Sept-18	Audited Y/E 31-Dec-18
NBV as at start of the period	724,800,556	688,413,659	688,413,659
Acquisitions	41,909,677	46,973,105	63,758,754
Depreciation charge	(23,314,920)	(22,664,701)	(27,371,857)
NBV as at end of period	<u>743,395,313</u>	<u>712,722,063</u>	<u>724,800,556</u>



**CONSOLIDATED BAKERIES (JAMAICA) LIMITED**

• NOTES TO THE FINANCIAL STATEMENTS (Cont'n)  
 NINE MONTHS ENDED 30 SEPTEMBER 2019  
 (Unaudited)

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## 2. ACCOUNTING POLICIES (Cont'd)

## (e) Cash &amp; 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 (2018 - 222,709,171).

## 3. SHAREHOLDERS' INFORMATION at 30 September 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	6,084,644
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.