

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
FINANCIAL STATEMENTS
SIX MONTHS ENDED 30 JUNE 2020
(Unaudited)

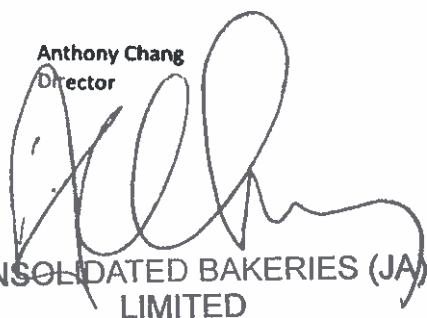
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CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020
(Unaudited)

Expressed in whole \$	Notes	As at 30-June-20	As at 30-June-19	Audited 31-Dec-19
ASSETS:				
Property, plant and equipment	2d	762,103,365	732,930,639	742,751,418
Current assets:				
Inventories		50,984,507	46,902,704	45,982,665
Trade and other receivables		94,132,915	91,556,564	91,521,398
Deposit on equipment		-	8,427,050	10,616,722
Investments		23,298,846	46,107,869	23,702,076
Cash and cash equivalents	2e	78,352,656	74,040,489	77,101,281
Total current assets		246,768,924	267,034,676	248,924,142
Total Assets		1,008,872,289	999,965,314	991,675,560
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	537,342,437	537,342,437
Accumulated other comprehensive income		5,617,970	9,163,500	3,997,729
Retained earnings		62,052,086	79,528,341	53,406,249
Total Equity		716,564,689	737,586,474	706,298,611
LIABILITIES:				
Non-Current Liabilities:				
Long-term loans		119,053,233	111,767,015	100,106,646
Deferred tax liability		-	-	9,808,761
		119,053,233	111,767,015	109,915,407
Current Liabilities:				
Current portion of long-term loans		23,580,180	7,860,060	28,890,897
Accounts payable and accruals		124,542,628	94,396,851	113,934,690
Bank overdraft		25,131,559	48,354,915	32,635,955
		173,254,367	150,611,826	175,461,542
Total Liabilities		292,307,601	262,378,841	285,376,949
Total Equity and Liabilities		1,008,872,289	999,965,314	991,675,560

Approved by the Board of Directors on August 13, 2020 and signed on its behalf by:

Anthony Chang
Director



Nicola Chang-Murphy
Director



CONSOLIDATED BAKERIES (JA)
LIMITED

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
SIX MONTHS ENDED 30 JUNE 2020
(Unaudited)

Expressed in whole \$	Notes	Qtr Ended 30-June-20	Qtr Ended 30-June-19	YTD Ended 30-June-20	YTD Ended 30-June-19
Revenue		244,581,027	275,033,780	543,628,715	548,667,029
Cost of sales		149,167,070	177,940,190	331,545,852	339,283,956
Gross profit		95,413,957	97,093,591	212,082,863	209,383,073
Depreciation		(7,861,698)	(7,927,594)	(15,723,394)	(15,405,516)
Administrative and other expenses		(49,644,146)	(47,571,815)	(104,895,519)	(97,141,292)
Selling and distribution expenses		(33,262,478)	(39,517,847)	(74,184,794)	(77,303,222)
Profit (Loss) from operations		4,645,634	2,076,335	17,279,157	19,533,043
Interest and Other income		484,684	642,631	490,830	1,473,885
Finance costs		(3,719,993)	(2,657,267)	(7,889,029)	(5,429,789)
Profit before tax		1,410,326	61,700	9,880,958	15,577,137
Tax		(176,291)	(7,712)	(1,235,120)	(1,947,142)
Deferred Tax		-	-	-	-
Profit for the period		1,234,035	53,987	8,645,838	13,629,996
Other comprehensive income					
Those that might be reclassified to profit or loss in subsequent periods					
<i>Unrealized Gain on investments</i>		-	4,261,081	1,620,241	3,295,589
Total comprehensive (Loss)/ income		1,234,035	4,315,067	10,266,079	16,925,585
Earnings gain(loss) per share	2f	0.006	(0.004)	0.04	0.06

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CHANGES IN EQUITY
SIX MONTHS ENDED 30 JUNE 2020
(Unaudited)

Expressed in whole \$	Share Capital	Revaluation Reserve	Capital Reserve	Other Comp Income	Retained Earnings	Total
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
Balance at 30 June 2019	90,726,664	537,342,437	20,825,532	9,163,500	79,528,341	737,586,474
Balance at 31 December 2019	90,726,664	537,342,437	20,825,532	3,997,729	53,406,249	706,298,610
Net profit for the period	-	-	-	-	8,645,838	8,645,838
Fair value appreciation of available for sale investments	-	-	-	1,620,241	-	1,620,241
Balance at 30 June 2020	90,726,664	537,342,437	20,825,532	5,617,970	62,052,086	716,564,689

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CASH FLOWS
SIX MONTHS ENDED 30 JUNE 2020
(Unaudited)

Expressed in whole \$	YTD Ended 30-June-20	YTD Ended 30-June-19	Audited Y/E 31-Dec-19
SOURCES/(USES) OF CASH			
Operating Activities			
Total Comprehensive income	10,266,079	16,925,585	(11,577,470)
Tax expense	1,235,120	1,947,142	-
Unrealised (gain)/loss on investment	-	-	-
Disposal of Fixed asset	-	-	(764,140)
Items not affecting cash resources:			
Unrealised gain on investment	(1,620,241)	(3,295,589)	(376,606)
Depreciation	15,723,394	15,405,516	31,447,296
	<u>25,604,351</u>	<u>30,982,654</u>	<u>18,729,080</u>
Change in working capital			
Inventories	(5,001,842)	(3,561,136)	(2,641,098)
Receivables	(2,611,517)	2,374,092	(8,207,463)
Payables	10,607,938	(16,163,534)	7,268,590
Deposit on Equipment	<u>10,616,722</u>	<u>(8,427,050)</u>	<u>-</u>
Net cash from operating activities	<u>39,215,652</u>	<u>5,205,026</u>	<u>15,149,109</u>
Investing Activities			
Purchase of fixed assets	(35,075,340)	(23,535,599)	(53,216,517)
Proceed from sale of fixed assets	-	-	4,582,500
Appreciation of Available for Sale Investments	-	-	-
Financial investments	<u>403,230</u>	<u>641,012</u>	<u>20,127,822</u>
Net cash from investing activities	<u>(34,268,880)</u>	<u>(22,894,587)</u>	<u>(28,506,195)</u>
Financing Activities			
Loan	13,617,761	2,399,658	11,770,125
Deffered Tax Liability	<u>(9,808,761)</u>	<u>(5,076,810)</u>	<u>-</u>
Net cash from financing activities	<u>3,809,000</u>	<u>(2,677,152)</u>	<u>11,770,125</u>
Net increase cash and cash equivalents	8,755,772	(20,366,712)	(1,586,961)
Net cash and cash equivalents at beginning of year	<u>44,465,326</u>	<u>46,052,287</u>	<u>46,052,287</u>
Net cash and cash equivalents at end of the period	<u><u>53,221,097</u></u>	<u><u>25,685,574</u></u>	<u><u>44,465,326</u></u>
Represented by:			
Cash and cash equivalents	78,352,656	74,040,489	77,101,281
Bank overdraft	<u>(25,131,559)</u>	<u>(48,354,915)</u>	<u>(32,635,955)</u>
Net cash and cash equivalents at end of the period	<u><u>53,221,097</u></u>	<u><u>25,685,574</u></u>	<u><u>44,465,326</u></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 June 2020, 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 2019.

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 2019, 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-20	YTD Ended 30-June-19	Audited Y/E 31-Dec-19
NBV as at start of the period	742,751,418	724,800,556	724,800,556
Acquisitions	35,075,340	23,535,599	53,216,517
Depreciation charge	(15,723,394)	(15,405,516)	(31,447,296)
Revaluation increment	-	-	-
Disposal of Fixed Asset Net	-	-	(3,818,361)
NBV as at end of period	762,103,365	732,930,639	742,751,416

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Cont'n)
SIX MONTHS ENDED 30 JUNE 2020
(Unaudited)

2. ACCOUNTING POLICIES (Cont'd)

(e) Cash & Cash Equivalents

Cash & cash

(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 (2019 - 222,709,171).

3. SHAREHOLDERS' INFORMATION at 30 June 2020

(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	7,580,000
David Chang	3,216,000
P.A.M. Ltd - Pooled Pension Equity Fund	2,481,241
Colin Steele	2,089,468
National Supply Company Ltd	2,029,805
Michael Subratie	2,452,590
Everton A Smith	1,616,427

(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
Christopher Goodison	17,000
Delarno Forrest	9,000

* Directors are major shareholders in Chang Brothers Limited.