

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
FINANCIAL STATEMENTS
NINE MONTHS ENDED 30 SEPTEMBER 2020
(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 2020
(Unaudited)

Expressed in whole \$	Notes	As at 30-Sept-20	Revised As at 30-Sept-19	Audited 31-Dec-19
ASSETS:				
Property, plant and equipment	2d	765,880,389	743,395,313	742,751,418
Current assets:				
Inventories		48,324,182	53,086,414	45,982,665
Trade and other receivables		89,418,134	90,235,503	91,521,398
Deposit on equipment		-	9,078,177	10,616,722
Investments		23,298,846	48,829,621	23,702,076
Cash and cash equivalents	2e	72,351,359	66,574,025	77,101,281
Total current assets		<u>233,392,521</u>	<u>267,803,740</u>	<u>248,924,142</u>
Total Assets		<u>999,272,910</u>	<u>1,011,199,053</u>	<u>991,675,560</u>
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	12,290,813	3,997,729
Retained earnings		58,650,301	74,304,817	53,406,249
Total Equity		<u>713,162,904</u>	<u>735,490,262</u>	<u>706,298,611</u>
LIABILITIES:				
Non-Current Liabilities:				
Long-term loans		116,544,870	107,647,203	100,106,646
Deferred tax liability		10,570,964	8,971,094	9,808,761
		<u>127,115,834</u>	<u>116,618,297</u>	<u>109,915,407</u>
Current Liabilities:				
Current portion of long-term loans		23,580,180	7,581,311	28,890,897
Accounts payable and accruals		113,231,856	105,902,864	113,934,690
Bank overdraft		22,182,139	45,606,319	32,635,955
		<u>158,994,174</u>	<u>159,090,495</u>	<u>175,461,542</u>
Total Liabilities		<u>286,110,008</u>	<u>275,708,792</u>	<u>285,376,949</u>
Total Equity and Liabilities		<u>999,272,910</u>	<u>1,011,199,053</u>	<u>991,675,560</u>

Approved by the Board of Directors on November 5, 2020 and signed on its behalf by:


Anthony Chang
Director


Nicola Chang-Murphy
Director

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

Expressed in whole \$	Notes	Revised			
		Qtr Ended 30-Sept-20	Qtr Ended 30-Sept-19	YTD Ended 30-Sept-20	YTD Ended 30-Sept-19
Revenue		226,375,496	237,992,668	770,004,211	786,659,697
Cost of sales		134,438,217	149,520,416	465,984,069	488,804,372
Gross profit		91,937,279	88,472,251	304,020,142	297,855,324
Depreciation		(7,861,698)	(7,909,404)	(23,585,092)	(23,314,920)
Administrative and other expenses		(54,370,415)	(48,953,481)	(159,265,934)	(146,094,773)
Selling and distribution expenses		(30,751,745)	(36,256,926)	(104,936,539)	(113,560,148)
Profit (Loss) from operations		(1,046,578)	(4,647,560)	16,232,578	14,885,483
Interest and Other income		542,267	2,187,138	1,033,097	3,661,024
Finance costs		(2,512,354)	(2,774,901)	(10,401,383)	(8,204,690)
Profit before tax		(3,016,665)	(5,235,321)	6,864,292	10,341,817
Tax		377,083	11,797	(858,036)	(1,935,345)
Deferred Tax		-	-	(762,203)	-
(Loss)/Profit for the period		(2,639,582)	(5,223,524)	5,244,052	8,406,472
Other comprehensive income					
Those that might be reclassified to profit or loss in subsequent periods					
<i>Unrealized Gain on investments</i>		-	3,127,313	1,620,241	6,422,902
Total comprehensive (Loss)/ income		(2,639,582)	(2,096,212)	6,864,293	14,829,374
Earnings gain(loss) per share	2f	(0.012)	(0.004)	0.02	0.04

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CHANGES IN EQUITY
NINE MONTHS ENDED 30 SEPTEMBER 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	-	-	-	-	8,406,472	8,406,472
Fair value appreciation of available for sale investments	-	-	-	6,422,902	-	6,422,902
Balance at 30 September 2019	90,726,664	537,342,437	20,825,532	12,290,813	74,304,817	735,490,262
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	-	-	-	-	5,244,052	5,244,052
Fair value appreciation of available for sale investments	-	-	-	1,620,241	-	1,620,241
Balance at 30 September 2020	90,726,664	537,342,437	20,825,532	5,617,970	58,650,301	713,162,904

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
STATEMENT OF CASH FLOWS
NINE MONTHS ENDED 30 SEPTEMBER 2020
(Unaudited)

Expressed in whole \$	YTD Ended 30-Sept-20	Revised YTD Ended 30-Sept-19	Audited Y/E 31-Dec-19
SOURCES/(USES) OF CASH			
Operating Activities			
Total Comprehensive income	6,864,293	14,829,374	(11,577,470)
Tax expense/Deferred Tax	1,620,239	1,935,345	-
Unrealised (gain)/loss on investment	-	-	-
Disposal of Fixed asset	-	-	(764,140)
Items not affecting cash resources:			
Unrealised gain on investment	(1,620,241)	(6,422,902)	(376,606)
Depreciation	23,585,092	23,314,920	31,447,296
	<u>30,449,383</u>	<u>33,656,737</u>	<u>18,729,080</u>
Change in working capital			
Inventories	(2,341,517)	(9,744,846)	(2,641,098)
Receivables	2,103,264	3,695,153	(8,207,463)
Payables	(702,834)	(763,237)	7,268,590
Deposit on Equipment	10,616,722	(9,078,177)	-
	<u>40,125,017</u>	<u>17,765,629</u>	<u>15,149,109</u>
Investing Activities			
Purchase of fixed assets	(46,714,063)	(41,909,677)	(53,216,517)
Proceed from sale of fixed assets	-	-	4,582,500
Appreciation of Available for Sale Investments	-	6,422,902	-
Financial investments	403,230	(5,376,329)	20,127,822
	<u>(46,310,832)</u>	<u>(40,863,104)</u>	<u>(28,506,195)</u>
Financing Activities			
Loan	11,127,507	(1,998,903)	11,770,125
Taxation		(1,935,345)	
Deffered Tax Liability	762,203	1,947,142	-
	<u>11,889,710</u>	<u>(1,987,106)</u>	<u>11,770,125</u>
Net increase cash and cash equivalents	5,703,895	(25,084,580)	(1,586,961)
Net cash and cash equivalents at beginning of year	44,465,326	46,052,287	46,052,287
	<u>50,169,221</u>	<u>20,967,706</u>	<u>44,465,326</u>
Represented by:			
Cash and cash equivalents	72,351,359	66,574,025	77,101,281
Bank overdraft	(22,182,139)	(45,606,319)	(32,635,955)
	<u>50,169,221</u>	<u>20,967,706</u>	<u>44,465,326</u>

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
NINE MONTHS ENDED 30 SEPTEMBER 2020
(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 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-Sept-20	YTD Ended 30-Sept-19	Audited Y/E 31-Dec-19
NBV as at start of the period	742,751,418	724,800,556	724,800,556
Acquisitions	46,714,063	41,909,677	53,216,517
Depreciation charge	(23,585,092)	(23,314,920)	(31,447,296)
Revaluation increment	-	-	-
Disposal of Fixed Asset Net	-	-	(3,818,361)
NBV as at end of period	<u>765,880,389</u>	<u>743,395,313</u>	<u>742,751,416</u>

CONSOLIDATED BAKERIES (JAMAICA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Cont'n)
NINE MONTHS ENDED 30 SEPTEMBER 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 September 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
Michael Subratie	2,452,590
National Supply Company Ltd	2,029,805
Everton A Smith	1,650,000
Sagicor Select Fund Limited	1,547,510

(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
Victor Salazar-Chang	194,392
Christopher Goodison	17,000
Delarno Forrest	9,000

* Directors are major shareholders in Chang Brothers Limited.