



**UNAUDITED**  
**Financial Statements**  
**THIRD QUARTER**  
**December 31, 2020**



LASCO Manufacturing Limited

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## Report to the Shareholders

NINE MONTHS ENDED DECEMBER 31, 2020

The Board of Directors of LASCO Manufacturing is pleased to present the unaudited results for the third quarter ended December 31, 2020.

### Quarter Results

**Revenue** for the third quarter ended December 31, 2020 was \$2.07B representing an increase of 3.5% on the revenue for the corresponding period of the prior year. **Gross margin** for the period was 36% comparable with the margin for the same period of the previous year.

**Operating profit** for the period was \$429.4M or 38% above that recorded for the same period of the prior year.

**Administrative Expenses** were \$315M or 19.8% less than in the previous year.

**Net Profit** out-turn for the quarter was \$281M an increase of 28.9% on the net profit for the corresponding year's quarter.

### Nine Months Results

**For the Nine Months ended December 2020**, Revenue was \$6.2 billion compared to \$5.8 billion for the corresponding period of the previous year (a 6% increase period on period). Operating profit was \$1.34 billion versus \$1.02 billion in the prior year with **Net Profit** in the current year being \$1.02 billion or 30 % higher than the net profit realised in the corresponding nine months of the prior year.

Capital Investments were primarily focused on the expansion of the Dry Plant White Marl facility which is now completed.

### Balance Sheet

Total Assets at the end of December 31, 2020 stood at \$10.3B an increase of 9.5% over the same period of last year with net current assets being \$3.5 billion or 44.9% above the same period in prior year. Trade and other receivables were \$2.3 billion or 10% above prior year while trade payables at \$1.1B were at the same level as in the previous year. Cash and bank balances inclusive of short-term investments stood at \$1.52B compared to \$814.6M in the prior year.

## **Corporate Social Responsibility**

Notwithstanding the Covid-19 pandemic LASCO Manufacturing continues to execute its Corporate Social programmes with adaptations to conform to the protocols relating to the curtailment of the pandemic.

## **Teacher/ Principal of the Year Awards**

In collaboration with the Lasco Chin Foundation and Lasco Distributors Limited, the Ministry of Education Youth and Information /Jamaican Teaching Council, Teachers were recognised on World Teachers' day, Monday October 5, 2020 via a virtual ceremony. In this activity one hundred and four (104) educators from all parishes made up of primary and secondary schools' teachers and principals were recognised for outstanding services and were presented with plaques of appreciation courtesy of LASCO.

The ceremony themed "Our Teachers, Our Heroes - Leading in Crisis, Reimagining the Future", saw over 5,000 virtual attendees on the Jamaica Teaching Council's Facebook page and its YouTube channel.

In addition, in response to the on-going Covid-19 pandemic we continued to extend assistance, both financially and in-kind to communities, organizations and individuals, collaborating with Foundations, NGOs, Local Authorities, Churches and Community Groups.

## **COVID – 19 Impacts / Outlook**

Over the period we continued to navigate the pandemic with strong focus on protecting the health and well-being of our people and proactive risk management in all areas of the operations. This included measures to protect the broad supply chain to ensure continuity of the operations and our ability to supply the market, adaptations of our operational processes and procedures and aggressive cost and cash management. We continued to closely monitor consumer behaviour and consumption patterns as a result of the pandemic and have been able to respond timely to the changes.

We thank our hard-working team members for their dedication, application and response to the challenges and our customers, shareholders and other stakeholders for their continued confidence and support.

Yours sincerely,

**LASCO Manufacturing Limited**



James E D Rawle  
**Managing Director**

LASCO Manufacturing Limited

**LASCO Manufacturing Limited**

## Statement of Comprehensive Income

For the nine months ended December 31, 2020


*Unaudited and expressed in J\$'000*

	3 Months to Dec 31, 2020	3 Months to Dec 31, 2019	9 Months to Dec 31, 2020	9 Months to Dec 31, 2019
Revenue	2,066,391	1,995,857	6,190,550	5,844,001
Cost of Sales	<u>(1,312,188)</u>	<u>(1,276,616)</u>	<u>(3,835,675)</u>	<u>(3,702,651)</u>
<b>Gross Profit</b>	<b>754,203</b>	<b>719,241</b>	<b>2,354,875</b>	<b>2,141,350</b>
<b>Gross Margin %</b>	<b>36%</b>	<b>36%</b>	<b>38%</b>	<b>37%</b>
Other Operating Income / (Loss)	(9,828)	(16,126)	(28,004)	(2,212)
Operating Expenses	<u>(314,969)</u>	<u>(392,660)</u>	<u>(982,809)</u>	<u>(1,114,654)</u>
Profit from Operations	<b>429,406</b>	<b>310,455</b>	<b>1,344,062</b>	<b>1,024,484</b>
Finance Costs	<u>(14,550)</u>	<u>(21,166)</u>	<u>(46,379)</u>	<u>(75,126)</u>
<b>Profit before Taxation</b>	414,856	289,289	1,297,683	949,358
Taxation	(133,713)	(71,161)	(279,066)	(168,670)
<b>Total Comprehensive Income for the period</b>	<b>281,143</b>	<b>218,128</b>	<b>1,018,617</b>	<b>780,688</b>
<b>Number of Stock units in Issue</b>	4,130,913	4,125,010	4,130,913	4,125,010
<b>Earnings per Stock</b>	0.07	0.05	0.25	0.19

**LASCO Manufacturing Limited**  
**Statement of Financial Position**  
**as at December 31, 2020**

	<i>DEC-20</i> <i>UnAudited</i>	<i>DEC-19</i> <i>UnAudited</i>	<i>MAR-20</i> <i>Audited</i>
	<i>J\$'000</i>	<i>J\$'000</i>	<i>J\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	4,471,927	4,621,174	4,629,176
Capital Work in Progress	480,926	422,605	341,894
Long Term Investment	220,690	314,000	170,690
<b>Total Non-Current Assets</b>	<b>5,173,544</b>	<b>5,357,779</b>	<b>5,141,760</b>
<b>CURRENT ASSETS</b>			
Inventories	1,285,154	1,122,418	1,154,280
Trade & Other Receivables	2,341,157	2,126,227	2,119,864
Taxation Recoverable	-	-	-
Directors Current Accounts	-	-	-
Short Term Investments	215,946	95,910	97,937
Cash and Bank Balances	1,300,535	718,676	1,354,148
	5,142,792	4,063,231	4,726,229
<b>CURRENT LIABILITIES</b>			
Trade Payables	1,131,164	1,152,655	1,420,654
Bank Overdraft	-	-	-
Current Portion of Long Term Loan	496,230	484,176	496,230
	1,627,395	1,636,831	1,916,884
<b>Net Current Assets</b>	<b>3,515,397</b>	<b>2,426,400</b>	<b>2,809,345</b>
	8,688,941	7,784,179	7,951,105
<b>Financed by:</b>			
Share Capital	550,887	444,047	550,888
Other Reserve	186,828	87,607	186,828
Retained Earnings	5,911,293	5,180,362	5,180,358
Fair Value Reserve	(148,690)	-	(148,690)
Current Earnings	1,018,617	780,688	981,682
	7,518,934	6,492,704	6,751,066
<b>Non-Current Liabilities</b>			
Long Term Loan	453,661	691,139	548,694
Deferred Taxation	716,345	600,336	651,345
	8,688,941	7,784,179	7,951,105

Approved for issue by the board of Directors on February 3, 2021 and signed on its behalf by:

  
**Hon. Lascelles A. Chin, O.J., C.D., LLD (Hon. Causa)**  
 Executive Chairman

  
**James E D Rawle**  
 Managing Director

LASCO Manufacturing Limited

**LML STATEMENT OF CASH FLOWS****For the period ended December 31, 2020***Unaudited and expressed in JS'000*

<i>STATEMENT OF CASH FLOWS</i>	<i>YTD DEC-20 JS'000</i>	<i>YTD DEC-19 JS'000</i>
Cash Flows from Operating Activities		
Operating Activities		
Profit /(Loss) for the period	1,018,617	780,688
Depreciation	203,051	195,584
Interest Income	(8,665)	(3,957)
Dividened Income	(6,956)	-
Effect of exchange rate translation	-	-
Stock options - value of services expensed	-	-
Loss on disposal of property, plant and equipment	26	-
Interest Expense	46,379	75,126
Taxation Expense	279,066	168,670
<b>Items not affecting cash</b>	<b>512,901</b>	<b>435,423</b>
(Increase) /Decrease in Current Assets		
Inventories	(130,874)	(66,642)
Trade & Other Receivables	(221,293)	(613,203)
Taxation paid	(45,353)	(35,440)
Payables	(458,203)	209,430
<b>Cash provided by operating activities</b>	<b>675,796</b>	<b>710,256</b>
Interest Received	8,665	3,957
Short Term Investments	(118,009)	(4,827)
Purchase of Investments	(50,000)	-
Acquisition of Property, Plant & Equipment	(184,862)	(166,139)
Proceeds from disposal of property, plant and equipmer	-	0
<b>Cash used in Investing Activities</b>	<b>(344,207)</b>	<b>(167,009)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(46,379)	(75,126)
Loan Repayment	(145,033)	(329,916)
Share Issue	-	116,174
Proceeds from Loan	50,000	109,546
Long term investment in Stocks	-	(314,000)
Dividends Received	6,956	-
Dividends Paid	(250,746)	(249,970)
<b>Cash provided by /(used in) Financing Activities</b>	<b>(385,202)</b>	<b>(743,292)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(53,613)</b>	<b>(200,045)</b>
Exchagnge gain on foreign cash balances		
Cash and cash equivalents at the beginning of the period	1,354,148	918,721
<b>Cash and cash equivalents at the end of the period</b>	<b>1,300,535</b>	<b>718,676</b>

**Comprised of:**

Cash and Bank balances	1,300,535	718,676
Bank Overdraft	-	-
	<b>1,300,535</b>	<b>718,676</b>

LASCO Manufacturing Limited

**LASCO Manufacturing Limited**

Statement of Changes in Shareholders' Equity  
For the nine months ended December 31, 2020  
*Unaudited and expressed in J\$'000*

<b>2019</b>				
	Share Capital J\$'000	Other Reserves J\$'000	Retained Earnings J\$'000	Total J\$'000
Balance at 1 April 2019	327,874	87,607	5,430,333	5,845,814
Share Issue	116,173			116,173
Other Comprehensive Income				
Payment of Dividends			(249,970)	(249,970)
Total Comprehensive Income for the period			780,688	780,688
<b>Balance as at December 31, 2019</b>	<b>444,047</b>	<b>87,607</b>	<b>5,961,051</b>	<b>6,492,704</b>
<b>2020</b>				
	Share Capital J\$'000	Other Reserves J\$'000	Retained Earnings J\$'000	Total J\$'000
Balance at 1 April 2020	550,888	38,137	6,162,040	6,751,065
Share Issue				-
Other Comprehensive Income				
Payment of Dividends			(250,746)	(250,746)
Total Comprehensive Income for the period			1,018,617	1,018,617
<b>Balance as at December 31, 2020</b>	<b>550,888</b>	<b>38,137</b>	<b>6,929,911</b>	<b>7,518,934</b>



## LASCO Manufacturing Limited

Notes to the Financial Statements

December 31, 2020

### 1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

- a. LASCO Manufacturing Limited is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is at 27 Red Hills Road, Kingston 10 and it currently operates from leased premises at 38 ½ Red Hills, Kingston 10 and from premises at White Marl.
- b. The principal activities of the company are the manufacturing of soy based products, juice drinks, water and export of various LASCO branded products.

### 2. SIGNIFICANT ACCOUNTING POLICIES:

- a. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the adopted interpretation of those standards by the International Accounting Standards Board and have been prepared under the historical cost convention. They are also prepared in accordance with provisions of the Jamaican Companies Act.
- b. The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31<sup>st</sup> March 2020.
- c. These financial statements are presented in Jamaican dollars unless otherwise indicated.

### 3. FINANCE COSTS

Finance costs are stated net of foreign exchange gains / losses

4. <u>TRADE &amp; OTHER RECEIVABLES</u>	<u>2020</u>	<u>2019</u>	
a. Trade Receivables	JA\$ '000	JA\$ '000	
1. Local	1,975,791	1,774,394	
2. Foreign	90,614	201,608	
b. Other Receivables	<u>274,752</u>	<u>150,225</u>	This comprises of prepayments made for capital goods & stock.
	2,341,157	2,126,227	

**SHARE CAPITAL**

	2020	2019
Authorized:-		
4,427,500,000 (2017 – 4,427, 500,000) ordinary shares of no par value		
Stated capital –		
Issued and fully paid –		
Number of ordinary shares		
4,130,913,151 (2019 – 4,125,009,992) ordinary shares of no par value	<u>550,887</u>	<u>444,047</u>



## LASCO MANUFACTURING LIMITED

### SENIOR MANAGERS AND CONNECTED PARTIES SHAREHOLDING

AS AT DECEMBER 31, 2020

<b>Name Primary Holder</b>	<b>Units</b>	<b>Percentages</b>
JAMES RAWLE	0.00	0.0000
ROBERT PARKINS	0.00	0.0000
SOPHIA GAYLE	0.00	0.0000
JEAN GRANT	0.00	0.0000
DANIEL STRACHAN	0.00	0.0000
CLEVERICK DOUGHORTY	5,800,000	0.1404
ERROL GRANT	0.00	0.0000
LISA WATT	0.00	0.0000



## LASCO MANUFACTURING LIMITED

### SENIOR MANAGERS AND CONNECTED PARTIES SHAREHOLDING

AS AT DECEMBER 31, 2020

<b>Name Primary Holder</b>	<b>Units</b>	<b>Percentages</b>
JAMES RAWLE	0.00	0.0000
ROBERT PARKINS	0.00	0.0000
SOPHIA GAYLE	0.00	0.0000
JEAN GRANT	0.00	0.0000
DANIEL STRACHAN	0.00	0.0000
CLEVERICK DOUGHORTY	5,800,000	0.1404
ERROL GRANT	0.00	0.0000
LISA WATT	0.00	0.0000



**LASCO MANUFACTURING LIMITED**

**TOP TEN SHAREHOLDERS AS AT DECEMBER 31, 2020**

<b>NAMES</b>	<b>UNITS</b>	<b>PERCENTAGES</b>
EAST WEST (ST. LUCIA) LIMITED	2,002,693,780	48.48
LASCELLES A. CHIN	1,244,428,470	30.12
NATIONAL INSURANCE FUND	103,794,541	2.51
SAGICOR SELECT FUND LETTER – ('CLASS C' SHARES) MANUFACTURING & DISTRIBUTION	32,816,914	0.79
SJIML A/C 3119	31,777,000	0.77
MAYBERRY JAMAICAN EQUITIES LIMITED	31,081,693	0.75
JCSD TRUSTEE SERVICES LTD. A/C #76579-02	20,657,468	0.50
YUAN LIAO	20,391,220	0.49
LIUDMILA GONZALEZ DIAZ	20,000,000	0.48
HILDA GONZALEZ ROSALES	20,000,000	0.48



**LASCO MANUFACTURING LIMITED**

**TOP TEN SHAREHOLDERS AS AT DECEMBER 31, 2020**

<b>NAMES</b>	<b>UNITS</b>	<b>PERCENTAGES</b>
EAST WEST (ST. LUCIA) LIMITED	2,002,693,780	48.48
LASCELLES A. CHIN	1,244,428,470	30.12
NATIONAL INSURANCE FUND	103,794,541	2.51
SAGICOR SELECT FUND LETTER – ('CLASS C' SHARES) MANUFACTURING & DISTRIBUTION	32,816,914	0.79
SJIML A/C 3119	31,777,000	0.77
MAYBERRY JAMAICAN EQUITIES LIMITED	31,081,693	0.75
JCSD TRUSTEE SERVICES LTD. A/C #76579-02	20,657,468	0.50
YUAN LIAO	20,391,220	0.49
LIUDMILA GONZALEZ DIAZ	20,000,000	0.48
HILDA GONZALEZ ROSALES	20,000,000	0.48



**LASCO MANUFACTURING LIMITED**

**DIRECTORS AND CONNECTED PARTIES SHAREHOLDINGS**

**AS AT DECEMBER 31, 2020**

<b>NAME OF PRIMARY HOLDERS</b>	<b>POSITION *CONNECTED PARTIES</b>	<b>UNITS</b>	<b>PERCENTAGES</b>
LASCELLES CHIN		1,244,428,470.00	30.1247
	*EAST WEST (ST. LUCIA) LTD	2,002,693,780.00	48.4806
	*EILEEN CHIN - DIRECT	{16,000,000.00}	{0.3873}
EILEEN CHIN		16,000,000.00	0.3873
	*LASCELLES CHIN - DIRECT	{1,244,428,470.00}	{30.1247}
ROSALEA HAMILTON		110,000.00	0.0026
VINCENT ANTHONY CHEN		0.00	0.0000
JACINTH HALL-TRACEY		0.00	0.0000
JAMES RAWLE		0.00	0.0000
COMPTON RODNEY		0.00	0.0000
KENNETH SYLVESTER		0.00	0.0000



**LASCO MANUFACTURING LIMITED**

**DIRECTORS AND CONNECTED PARTIES SHAREHOLDINGS**

**AS AT DECEMBER 31, 2020**

<b>NAME OF PRIMARY HOLDERS</b>	<b>POSITION *CONNECTED PARTIES</b>	<b>UNITS</b>	<b>PERCENTAGES</b>
LASCELLES CHIN		1,244,428,470.00	30.1247
	*EAST WEST (ST. LUCIA) LTD	2,002,693,780.00	48.4806
	*EILEEN CHIN - DIRECT	{16,000,000.00}	{0.3873}
EILEEN CHIN		16,000,000.00	0.3873
	*LASCELLES CHIN - DIRECT	{1,244,428,470.00}	{30.1247}
ROSALEA HAMILTON		110,000.00	0.0026
VINCENT ANTHONY CHEN		0.00	0.0000
JACINTH HALL-TRACEY		0.00	0.0000
JAMES RAWLE		0.00	0.0000
COMPTON RODNEY		0.00	0.0000
KENNETH SYLVESTER		0.00	0.0000