



**Lumber Depot Limited**  
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On behalf of the board of directors of Lumber Depot Limited, I am pleased to share with you the results for the nine-month period ending January 31, 2022. Lumber Depot operates a full-service hardware store in Papine that serves the needs of medium and small-scale building contractors, as well as homeowners and service professionals doing construction projects, renovations, and repairs.

Lumber Depot Limited had a solid nine-month performance. Revenues of \$1.2 billion represented an increase of 10% relative to the prior year. Profits for the nine-month period were \$143 million, an increase of 42% over the prior year. Revenues and profits for the three-month period ended January 31, 2021, were affected by limits on the commercial and construction activity during the spike in COVID 19 cases arising from the Omicron variant as well as continued challenges to the supply of certain construction inputs. Against this backdrop, we were satisfied to have been able to grow both revenues and profits in the quarter relative to the same period in the prior year.

In the months ahead, we expect that Jamaica will be impacted by inflation, policy measures that are designed to control inflation, increased energy costs, supply chain challenges and exchange rate volatility. Fortunately, Lumber Depot has established a strong market position in the communities we directly serve. The company benefits from its strategic location in Papine, which allows it to effectively provide hardware products to areas of the city now experiencing significant high-quality commercial, light-industrial, and residential real estate development.

Our market position is bolstered by our reputation for excellent service and for delivering good customer value. The financial performance during the quarter and the year-to-date benefited from management initiatives to lead the market in securing adequate stock levels for all key hardware items while limiting price increases wherever practical. We also worked hard to maintain commercially reasonable opening hours and staffing levels throughout the most challenging periods of COVID 19.

Lumber Depot also benefits from a strong balance sheet and the favourable corporate income tax treatment associated with our being listed on the Junior Market of the Jamaica Stock Exchange. As at January 31, 2022, shareholders' equity was \$438m, an increase of 12% since the start of the financial year.

We are confident that our team has the capacity to manage through the challenges we all now face, while consistently prioritizing the safety of our customers and staff.

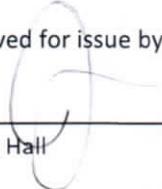
I thank our board, management, and team-members for their diligence in navigating all aspects of the Lumber Depot business through the current business conditions and for delivering a commendable year-to-date result for shareholders.

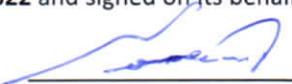
Jeffrey Hall  
March 10, 2022

**Lumber Depot Limited**  
**Statement of Financial Position**  
**As at January 31, 2022**

	Unaudited 9 Mths Ended January 31, 2022	Unaudited 9 Mths Ended January 31, 2021	Audited April 30, 2021
<b>ASSETS:</b>			
<b>Non-current assets</b>			
Land	50,000,000	-	-
Property, plant and equipment	131,795,911	18,267,039	21,490,560
Right of Use Assets	-	72,506,724	70,374,173
Investments	119,050,117	101,770,191	117,466,351
	<u>300,846,028</u>	<u>192,543,954</u>	<u>209,331,084</u>
<b>Current assets</b>			
Cash and cash equivalents	84,280,745	140,559,907	142,661,918
Accounts receivable and prepayments	42,889,576	33,906,844	42,230,837
Inventories	158,491,221	133,565,604	131,598,689
Taxation recoverable	1,884,440	-	802,592
	<u>287,545,982</u>	<u>308,032,355</u>	<u>317,294,036</u>
<b>Current liabilities</b>			
Accounts payable	75,177,403	117,051,369	126,524,540
Other Payables [Cotrade]	73,600,000	-	-
Due to related company	1,820,632	5,990,774	4,393,739
Current Portion of Long Term Lease Liability	-	7,871,227	7,930,409
Dividend Payable	-	14,124,750	-
Taxation Payable	-	9,876,450	-
	<u>150,598,035</u>	<u>154,914,570</u>	<u>138,848,688</u>
<b>Net Current Assets</b>	<u>136,947,947</u>	<u>153,117,785</u>	<u>178,445,348</u>
<b>Total assets less current liabilities</b>	<u><b>437,793,975</b></u>	<u><b>345,661,739</b></u>	<u><b>387,776,432</b></u>
<b>EQUITY</b>			
Share capital	170,061,991	170,061,991	170,061,991
Retained earnings	267,731,984	108,923,764	153,043,390
	<u>437,793,975</u>	<u>278,985,755</u>	<u>323,105,381</u>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Lease Liability	-	66,675,984	64,671,051
	<u>-</u>	<u>66,675,984</u>	<u>64,671,051</u>
<b>Total equity and non-current liabilities</b>	<u><b>437,793,975</b></u>	<u><b>345,661,739</b></u>	<u><b>387,776,432</b></u>

Approved for issue by the Board of Directors on March 10, 2022 and signed on its behalf by:

  
 \_\_\_\_\_ Chariman  
 Jeffrey Hall

  
 \_\_\_\_\_ Director  
 Noel Dawes

**Lumber Depot Limited**  
**Statement of Profit or loss and Other Comprehensive Income**  
**Nine months ended January 31, 2022**

	<b>Unaudited 9 Mths Ended January 31, 2022</b>	<b>Unaudited 9 Mths Ended January 31, 2021</b>	<b>Unaudited 3 Mths Ended January 31, 2022</b>	<b>Unaudited 3 Mths Ended January 31, 2021</b>	<b>Audited April 30, 2021</b>
Revenue	1,160,133,257	1,052,652,767	400,194,313	353,103,632	1,429,310,437
Cost of revenue	<u>(902,735,538)</u>	<u>(833,390,994)</u>	<u>(318,301,685)</u>	<u>(271,246,229)</u>	<u>(1,135,860,850)</u>
<b>Gross profit</b>	257,397,719	219,261,773	81,892,628	81,857,403	293,449,587
Impairment losses on trade receivables reversed/(recognised)	393,447	1,275,194	(705,204)	(550,012)	3,173,921
Impairment losses on investments reversed	119,520	-	7,286.35	-	1,957,028
Administrative and other expenses	<u>(119,630,364)</u>	<u>(119,010,000)</u>	<u>(44,145,847)</u>	<u>(46,257,181)</u>	<u>(154,220,143)</u>
	<b>138,280,322</b>	<b>101,526,967</b>	<b>37,048,863</b>	<b>35,050,210</b>	<b>144,360,393</b>
Other income	<u>9,229,341</u>	<u>731,347</u>	<u>16,783</u>	<u>-</u>	<u>3,224,864</u>
Profit before net finance costs and taxation	<u>147,509,663</u>	<u>102,258,314</u>	<u>37,065,646</u>	<u>35,050,210</u>	<u>147,585,257</u>
Finance income	2,254,600	5,125,307	651,746	1,343,829	6,528,356
Finance cost	<u>(6,826,169)</u>	<u>(6,513,059)</u>	<u>(1,983,320)</u>	<u>(2,117,956)</u>	<u>(9,098,171)</u>
Net financial income	<u>(4,571,569)</u>	<u>(1,387,752)</u>	<u>(1,331,574)</u>	<u>(774,127)</u>	<u>(2,569,815)</u>
<b>Profit for the period</b>	<b>142,938,094</b>	<b>100,870,562</b>	<b>35,734,072</b>	<b>34,276,083</b>	145,015,442
Taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,254)</u>
<b>Profit attributable to members, being total comprehensive income for the period</b>	<b><u>142,938,094</u></b>	<b><u>100,870,562</u></b>	<b><u>35,734,072</u></b>	<b><u>34,276,083</u></b>	<b><u>144,990,188</u></b>
Earnings per stock unit	<u>\$ 0.20</u>	<u>\$ 0.14</u>	<u>\$ 0.05</u>	<u>\$ 0.05</u>	<u>\$ 0.21</u>

**Lumber Depot Limited**  
**Statement of Changes in Equity**  
**Nine months ended January 31, 2022**

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	<u>Share Capital</u>	<u>Retained earnings</u>	<u>Total</u>
	\$	\$	\$
Balances at April 30, 2020 (audited)	170,061,991	22,177,952	192,239,943
Dividends Paid		(14,124,750)	(14,124,750)
Total comprehensive income for the quarter	-	100,870,562	100,870,562
Balances as at January 31, 2021 (unaudited)	170,061,991	108,923,764	278,985,755
Balances as at April 30, 2021 (audited)	170,061,991	153,043,390	323,105,381
Dividends Paid		(28,249,500)	(28,249,500)
Total comprehensive income for the quarter	-	142,938,094	142,938,094
Balances as at January 31, 2022 (unaudited)	<u>170,061,991</u>	<u>267,731,984</u>	<u>437,793,975</u>

**Lumber Depot Limited**  
**Statement of Cash Flows**  
**Nine months ended January 31, 2022**

	<u>Unaudited</u> <u>January 31, 2022</u>	<u>Unaudited</u> <u>January 31, 2021</u>	<u>Audited</u> <u>April 30, 2021</u>
<b>Cash Flows From Operating Activities</b>			
Profit for the period	142,938,094	100,870,562	144,990,188
<b>Adjustments for:</b>			
Depreciation	8,433,689	9,625,971	12,909,821
Adjustment to property, plant and equipment	(3,985)	-	(449)
Gain on termination of Leased Property	(1,259,767)	-	-
Interest Income	(2,895,843)	(5,125,307)	(3,745,698)
Interest expense	1,064,497	6,513,059	2,872,431
Taxation	-	-	25,254
<b>Cash generated before changes in working capital</b>	<b>148,276,685</b>	<b>111,884,285</b>	<b>157,051,547</b>
Accounts receivables and prepayments	(658,739)	10,233,141	1,909,148
Inventories	(26,892,532)	(28,871,771)	(26,904,856)
Accounts payable	(51,347,137)	50,805,495	60,278,666
Other Payables [Cotrade]	73,600,000	-	-
Due to related party	(2,573,107)	5,640,218	4,043,183
Taxation recoverable	(1,081,848)	-	(695,975)
Cash provided by operations	139,323,322	149,691,368	195,681,713
Taxation Paid	-	-	<b>(10,008,321)</b>
<b>Net cash provided by operating activities</b>	<b>139,323,322</b>	<b>149,691,368</b>	<b>185,673,392</b>
<b>Cash Flows From Investing Activity</b>			
Purchase of property, plant and equipment	(165,767,072)	(1,563,016)	(8,537,835)
Purchase of Investments	(1,583,766)	(1,435,215)	(16,740,332)
Interest paid	(1,064,497)	(6,513,059)	(2,872,431)
Interest received	2,895,843	2,047,685	2,877,483
<b>Net cash used by investing activity</b>	<b>(165,519,492)</b>	<b>(7,463,605)</b>	<b>(25,273,115)</b>
<b>Cash Flows From Financing Activities</b>			
Issue of shares	-	-	-
Dividends paid	(28,249,500)	-	(14,124,750)
Long term loan	-	(25,000,000)	(25,000,000)
Lease liability, net	(3,935,503)	(5,750,566)	(7,696,319)
<b>Net cash used by financing activities</b>	<b>(32,185,003)</b>	<b>(30,750,566)</b>	<b>(46,821,069)</b>
Net increase in cash and cash equivalents	<b>(58,381,173)</b>	<b>111,477,197</b>	<b>113,579,208</b>
Cash and cash equivalents at beginning of the period	142,661,918	29,082,710	29,082,710
<b>Cash and cash equivalents at end of period</b>	<b>84,280,745</b>	<b>140,559,907</b>	<b>142,661,918</b>

**Lumber Depot Limited**  
**Notes to the Unaudited Financial Statements**  
**January 31, 2022**

**1 Identification and principal activities**

**Lumber Depot Limited (the company) was incorporated and domiciled in Jamaica on July 30, 2019.**

The registered office of the company is located at 4 Victoria Avenue Kingston CSO, with retail outlet at 17c Gordon Town Road, Kingston 6.

On 1 August 2019 the Company entered into a Intragroup Reconstruction Agreement with Blue Power Group Limited ("Blue Power"), pursuant to which the Company assumed the benefit and burden of the Hardware Business as at the Accounting Date with the transfer of assets of the Hardware Business taking place as at that date as a going concern with no change to the management team of the Hardware Business. The company is listed on the Junior Market of the Jamaica Stock Exchange since December 16, 2019. The tax remission benefits derived from the listing on the Junior Stock Exchange took effect from January 1, 2020.

The main activities of the company comprise the sale of lumber, hardware supplies and related products.

**2 Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board, and comply with the provisions of the Jamaican Companies Act.

**3 Use of estimates and judgements:**

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the reporting date and the income and expense for the year then ended. Actual amounts could differ from those estimates.

**4 Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise investments, cash and cash equivalents and accounts receivable. Financial liabilities comprise accounts payable and due to related party.

**5 Revenue:**

Revenue is measured based on the consideration specified in a contract with a customer. The company recognises revenue when it transfers control over a good or service to a customer.

**6 Foreign currencies:**

Transactions in foreign currencies are converted at the foreign exchange rates ruling at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are measured at historical cost, are translated at the foreign exchange rates ruling at the reporting date. Foreign exchange differences arising from fluctuations in exchange rates are recognised in profit or loss.

**7 Significant accounting policies**

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the period ended April 30, 2021.

**8 Inventories**

Inventories are measured at the lower of cost, determined on the weighted average basis, and net realisable value.



January 31, 2022  
TOTAL SHARES OUTSTANDING:  
706,237,500

### DIRECTORS AND CONNECTED PARTIES REPORT

PRIMARY HOLDER (JOINT HOLDER)	RELATIONSHIP	UNITS	PERCENTAGE
NOEL DAWES*	SELF	15,627,150	2.2127
JEFFREY HALL (SWEE TEEN CHUA) ***	SELF	1,046,156	0.1481
VIKRAM DHIMAN	SELF	100,000	0.0142
SYMONE MAYHEW**	SELF	100,000	0.0142
LISA KONG	SELF	100,000	0.0142
GEORGE OVERTON	SELF	100,000	0.0142
PAUL SCOTT****	SELF	0	0.0000
MELANIE SUBRATIE****	SELF	0	0.0000
*KAREL DAWES	CONNECTED PARTY	38,070	0.0054
**RICHARD MAYHEW	CONNECTED PARTY	176,495	0.0250

### TOP 10 SHAREHOLDERS

PRIMARY HOLDER (JOINT HOLDER)	UNITS	PERCENTAGE
STONY HILL CAPITAL LIMITED****	116,189,064	16.4518
BLUE POWER GROUP LIMITED***	116,189,064	16.4518
J KENNETH BENJAMIN & SHEILA BENJAMIN	59,954,650	8.4893
MARY J. FRAY	30,954,000	4.3829
JN FUND MANAGERS LIMITED	23,919,341	3.3869
QWI INVESTMENTS LTD	17,783,269	2.5180
NOEL DAWES	15,627,150	2.2127
COLIN STEELE	10,164,502	1.4392
THE MAYBERRY FOUNDATION LTD.	10,000,000	1.4160
PAM - POOLED EQUITY FUND	9,893,510	1.4009
<b>TOTAL UNITS OWNED BY TOP 10</b>	<b>410,674,550</b>	<b>58.1496</b>