



UNAUDITED
Financial Statements
SECOND QUARTER
September 30, 2016



LASCO Manufacturing Limited

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REPORT TO THE SHAREHOLDERS – SIX MONTHS ENDED SEPTEMBER 30, 2016

The Board of Directors of LASCO Manufacturing Limited is pleased to present the unaudited results for the second quarter ended September 30, 2016.

For the period ended September 30, 2016, LASCO Manufacturing Limited generated a net profit of \$587M. This result was 18% above the previous year's profit of \$497M.

Total revenue to September 30, 2016 was \$4B, an increase of 28% over the same period last year resulting from increased production volumes brought to market as part of the expansion of the manufacturing plant. Gross margin of \$1.3B was achieved compared to \$1B the previous year.

Revenue earned in the 2nd quarter was \$2.2B, an increase of 29% over the 1st quarter, where revenue earned was \$1.7B and 35% over the same period last year.

Expenses for the six months period to September 30, 2016 were \$585M, an increase of 23% when compared to the same period last year. This was due mainly to increases in marketing and equipment maintenance expenses associated with expansion of both plants.

Production at the Liquid Plant continues to grow steadily, and we will further increase our capacity to meet the overwhelming market demand for our iCool line of beverages, by ramping up production with the installation of additional equipment by the end of the financial year. We continue to be optimistic and confident about the future for this product line with substantial profits to be realized.

The new Dry Plant at White Marl is now fully operational, and together with the existing Red Hills Road Dry Plant recorded an increase of 24% in profits over last year at the end of the 2nd quarter. New products will be introduced by the end of the year to enhance the product line which is projected to continue to realize significant sales and profits.

The Statement of Financial Position shows Property, Plant and Equipment moving from \$3.5B at the beginning of the financial year to \$4.6B at the close of the 2nd quarter. This is due to approximately \$1B of assets associated with both the liquid and dry plants being transferred during the period from work in progress as a result of continuing commissioning of these operations.

We would like to thank all our customers, shareholders, team members and other stakeholders for their continued invaluable support during this period, and look forward to an exciting year ahead.

Yours sincerely,

LASCO Manufacturing Limited



Robert Parkins, MBA, BSc.(Hons)
Managing Director

LASCO Manufacturing Limited

Statement of Comprehensive Income

For the six months ended September 30, 2016

Unaudited and expressed in J\$'000

	3 Months to Sept 30, 2016	3 Months to Sept 30, 2015	6 Months to Sept 30, 2016	6 Months to Sept 30, 2015
Revenue	2,223,312	1,648,033	3,952,566	3,088,427
Cost of Sales	(1,468,785)	(1,075,265)	(2,628,964)	(2,041,036)
Gross Profit	754,527	572,768	1,323,602	1,047,391
Gross Margins %	34%	35%	33%	34%
Other Operating Income / (Loss)	17,273	754	15,220	300
Operating Expenses	(315,317)	(291,008)	(585,150)	(476,131)
Profit from Operations	456,483	282,514	753,672	571,560
Finance Costs	(43,507)	(32,135)	(84,525)	(74,482)
Profit before Taxation	412,976	250,379	669,147	497,078
Taxation	(49,993)		(82,074)	(60)
Total Comprehensive Income for the period	362,983	250,379	587,073	497,018
Number of Stock units in Issue	4,087,130	4,087,130	4,087,130	4,087,130
Earnings per Stock	0.09	0.06	0.14	0.12

LASCO Manufacturing Limited
Statement of Financial Position
as at September 30, 2016

	SEP-16	SEP-15	MAR-16
	UnAudited	UnAudited	Audited
	J\$'000	J\$'000	J\$'000
NON-CURRENT ASSETS			
Property, Plant & Equipment	4,472,956	3,134,379	3,400,848
Capital Work in Progress	130,868	392,962	119,042
Total Non-Current Assets	4,603,824	3,527,341	3,519,890
CURRENT ASSETS			
Inventories	716,506	676,914	806,009
Trade & Other Receivables	1,655,253	1,470,745	2,203,616
Taxation Recoverable			-
Directors Current Accounts			-
Short Term Investments	92,776	125,134	88,269
Cash and Bank Balances	228,830	192,711	237,956
	2,693,365	2,465,504	3,335,850
CURRENT LIABILITIES			
Trade Payables	852,615	527,502	769,800
Bank Overdraft	512,372	550,737	502,694
Current Portion of Long Term Loan	235,832	165,199	235,832
	1,600,819	1,243,438	1,508,326
Net Current Assets	1,092,546	1,222,066	1,827,524
	5,696,370	4,749,407	5,347,414
Financed by:			
Share Capital	305,298	305,298	305,298
Other Reserve	43,095	-	43,095
Retained Earnings	3,384,258	2,888,222	2,680,673
Current Earnings	587,073	497,018	826,198
	4,319,724	3,690,538	3,855,264
Non-Current Liabilities			
Long Term Loan	1,137,605	1,058,869	1,253,109
Deferred Taxation	239,041	-	239,041
	5,696,370	4,749,407	5,347,414

Approved for issue by the board of Directors on 24th October 2016 and signed on its behalf by:



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



Robert Parkins, MBA, BSc. (Hons)
Managing Director

LML STATEMENT OF CASH FLOWS		
For the year ended September 30, 2016		
<i>Unaudited and expressed in J\$'000</i>		
	YTD	YTD
STATEMENT OF CASH FLOWS	SEP-16	SEP-15
	J\$'000	J\$'000
Cash Flows from Operating Activities		
Operating Activities		
Profit /(Loss) for the period	587,073	497,018
Depreciation	83,049	62,583
Interest Income		
Interest Expense	84,525	74,482
Taxation Expense		
Items not affecting cash	167,574	137,065
(Increase) /Decrease in Current Assets		
Inventories	89,503	82,507
Trade & Other Receivables	548,364	(325,594)
Due from Directors	-	-
Current portion of Long-term loans	-	(177,747)
Taxation Recoverable	-	-
Payables	82,815	(128,861)
Cash provided by operating activities	1,475,329	84,388
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received		
Short Term Investments	(4,507)	(42,654)
Acquisition of Property, Plant & Equipment	(1,166,983)	(193,574)
Cash used in Investing Activities	(1,171,490)	(236,228)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest Paid	(84,525)	(74,482)
Loan Repayment	(115,504)	0
Proceeds from Loan		100,430
Dividends Paid	(122,614)	
Cash provided by /(used in) Financing Activities	(322,643)	25,948
Net Change in Cash and Cash Equivalents	(18,804)	(125,892)
Cash and cash equivalents at the beginning of the period	(264,738)	(232,133)
Cash and cash equivalents at the end of the period	(283,542)	(358,025)
Comprised of:		
Cash and Bank balances	228,830	192,711
Bank Overdraft	(512,372)	(550,736)
	(283,542)	(358,025)

LASCO Manufacturing Limited

Statement of Changes in Shareholders' Equity

For the six months ended September 30, 2016

Unaudited and expressed in J\$'000

2015				
	Share Capital	Other	Retained	Total
	J\$'000	Reserve	Earnings	J\$'000
	J\$'000	J\$'000	J\$'000	J\$'000
Balance at 1 April 2015	305,298		2,888,221	3,193,519
Total Comprehensive Income for the period			497,018	497,018
Balance as at September 30, 2015	305,298	-	3,385,239	3,690,537

2016				
	Share Capital	Other	Retained	Total
	J\$'000	Reserve	Earnings	J\$'000
	J\$'000	J\$'000	J\$'000	J\$'000
Balance at 1 April 2016	305,298		3,506,871	3,812,169
Other Comprehensive Income		43,095		43,095
Payment of Dividends			(122,614)	(122,614)
Total Comprehensive Income for the period			587,073	587,073
Balance as at September 30, 2016	305,298	43,095	3,971,330	4,319,724

LASCO Manufacturing Limited

Notes to the Financial Statements
September 30, 2016

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 31st March 2016.
- 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 & OTHER RECEIVABLES</u>	<u>2016</u>	<u>2015</u>	
a. Trade Receivables	JA\$ '000	JA\$ '000	
1. Local	1,484,652	1,137,492	
2. Foreign	144,270	125,147	
b. Other Receivables	<u>26,331</u> 1,655,253	<u>208,106</u> 1,470,745	This comprises of prepayments made for capital goods & stock.

SHARE CAPITAL

	2016	2015
Authorized:-		
4,427,500,000 (2015 – 4,427, 500,000) ordinary shares of no par value		
Stated capital –		
Issued and fully paid –		
Number of ordinary shares		
4,087,130,170 (2015 – 4,087,130,170) ordinary shares of no par value	<u>305,298</u>	<u>305,298</u>



LASCO MANUFACTURING LIMITED

TOP TEN SHAREHOLDERS AS AT SEPTEMBER 30, 2016

NAMES	UNITS	PERCENTAGE
EAST WEST (ST. LUCIA) LIMITED	2,002,693,780.00	49.00
LASCELLES A. CHIN	1,244,428,470.00	30.45
MAYBERRY WEST INDIES LIMITED	129,762,948.00	3.17
MANWEI INTERNATIONAL	35,390,311.00	0.87
JOEL IZQUIERDO GONZALEZ	30,083,400.00	0.74
BAMBOO GROUP HOLDINGS LIMITED	23,690,256.00	0.58
LIUDMILA GONZALEZ DIAZ	21,647,331.00	0.53
HILDA GONZALEZ ROSALES	21,000,000.00	0.51
YUAN LIAO	20,391,220.00	0.50
MAYBERRY MANAGED CLIENTS ACCOUNT	18,500,720.00	0.45



LASCO MANUFACTURING LIMITED
DIRECTORS AND CONNECTED PARTIES
SHAREHOLDINGS AS AT SEPTEMBER 30, 2016

NAME PRIMARY HOLDER	POSITION *JOINT HOLDERS	UNITS	PERCENTAGE
LASCELLES CHIN		1,244,428,470.00	30.4475
	East West (St. Lucia Ltd.)	2,002,693,780.00	49.0000
	Eileen Chin	{16,000,000.00}	0.3915
EILEEN CHIN		16,000,000.00	0.3915
	Lascelles Chin	{1,244,428,470.00}	30.4475
J. A. LESTER SPAULDING		1,503,000.00	0.0368
ROSALEA HAMILTON		110,000.00	0.0360
PETER CHIN		5,585,980.00	0.1367
JACINTH HALL-TRACEY		0.00	0.0000
VINCENT ANTHONY CHEN		0.00	0.0000
ROBERT PARKINS		0.00	0.0000



LASCO MANUFACTURING LIMITED

**SENIOR MANAGERS AND CONNECTED PARTIES SHAREHOLDING
AS AT SEPTEMBER 30, 2016**

NAME PRIMARY HOLDER	UNITS	PERCENTAGE
LASCELLES A. CHIN	1,244,428,470.00	30.45
ROBERT PARKINS	0.00	0.0000
SOPHIA GAYLE	0.00	0.0000
JORGE VEGA	0.00	0.0000