



**Financial Statement Highlights**  
For the period ended December 31, 2018

**SUMMARY**

**Net Profit/(Loss) before Tax**

The company reported a MTD profit of \$244K and YTD profit of \$335K. Ice Cream revenues on a YTD basis are down on the previous year but a healthier margin has been recorded to date for the year. Cold Storage revenues down % and 6% on a YTD basis. Food Service revenue continues to hold its own some 2% above the previous year. YTD expenses currently remain under the previous year with stringent cost control measures in place.

	MTD		YTD	
	134.00	\$000's	208.00	\$000's
	122.0%	↑	164.0%	↑
	6.0%	↑	4.0%	↑
	\$ 0.15		\$ 0.08	
			\$ 0.04	

**Trading Profit**  
**Profit Margin**  
**EPS**

**ICE CREAM DIVISION**  
**Revenue**

Revenue is down on a MTD basis by some 9%. YTD revenue is down 6%. Revenues for both mobilers and wholesalers continues to lag behind the previous year. This is due to declines in key products as the company continues to experience pressure due to reduced spending power of consumers. Key product lines have shown in the region of 10% - 15% versus the previous year.

(123.00)	\$000's	(189.00)	\$000's
-9.0%	↓	-6.0%	↓

**Sales margin**

Margins are up 14% for the month and 10% on a YTD basis. This is driven by improved inventory management and the gradual flow through of some product lines which were imported prior to the removal of NSRL.

97.00	\$000's	158.00	\$000's
12.0%	↑	9.0%	↑

**FOOD SERVICE DIVISION**  
**Revenue**

Food service revenue is down 16% MTD and 6% on a YTD basis. The decline is as a result of a decline in purchase from a key customer as select product lines were discontinued. The focus continues to be the phasing out of select product lines and increased attention on more productive areas with better price points. The main contributor of the total YTD Food service revenue of \$152K is Frozen dough which represents 85% of the total. Vegware continues to struggle as price continues to be a constraint.

(30.00)	\$000's	(25.00)	\$000's
-16.0%	↓	-6.0%	↓

**Sales margin**

Food Services margins both up 3% MTD and YTD

(18.00)	\$000's	(10.00)	\$000's
-3.0%	↑	0.0%	↑

**COLD STORAGE DIVISION**  
**Revenue**

Cold Storage revenue was 8% behind for the month and 6% behind year on year.

(23.00)	\$000's	(53.00)	\$000's
-8.0%	↓	-6.0%	↓

**EXPENSES**

**Operating expenses**

MTD expenses are lower for the month due to the the absence of key personnel from early 2017/2018 not replaced in 2019 and lower maintenance costs to date in 2019.

(71.00)	\$000's	(157.00)	\$000's
-9.0%	↓	-7.0%	↓

**Other Expenses**

MTD expenses and YTD expenses continue run under the 2017 levels.

(31.00)	\$000's	(33.00)	\$000's
-93%	↓	-99%	↓



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**For the period ended December 31, 2018**

**BALANCE SHEET**

***Inventory***

*End of month Finished goods stood at \$2.3 mil with a turnover ratio of 0.27 (or every 99 days). No provision is currently in place for slow moving inventory. Company policy is to hold at least 6 months of inventory.*

***Accounts Receivable***

*Cold Storage, Mobilers and Ice Cream customers comprise 21%, 4% and 75% of the total balance respectively. Of the balance over 120 days, 50% (or \$191.9K) relates to Cold Storage and a single customer in Cold Storage represents 25% (\$94.8K) of the total over 120 day balance. Actions continue in earnest against the over 90-day balance with legal proceedings commenced in select cases. A doubtful debt provision is in place to cover balances over 90 days.*

***Accounts Payable***

*The balances 91-120 days and over 120 days represent 39% of the total payables balance. The balance over 120 days of \$266.5K is represented primarily by a single customer due legal fees of \$157.5K and insurance premiums of \$156.7K being paid off over several months less unapplied credits.*

***Statutory payments***

*NIS and PAYE paid and up-to-date as of January 2019. VAT is up to date as of the last payment cycle date December 2018.*





# Executive summary

For the period ended December 31, 2018

	MONTH TO DATE				YEAR TO DATE			
	Nov ACTUAL 2018 MTD	Nov ACTUAL 2017 MTD	\$ Chg 2017 vs 2018	% Chg 2017 vs 2018	Nov ACTUAL 2018 YTD	Nov ACTUAL 2017 YTD	\$ Chg 2017 vs 2018	% Chg 2017 vs 2018
<b>REVENUE</b>								
Mobilers	412	468	(56)	-12%	922	993	(71)	-7%
Wholesale	837	904	(67)	-7%	1,802	1,920	(118)	-6%
<b>TOTAL ICE CREAM SALES</b>	1,249	1,372	(123)	-9%	2,724	2,913	(189)	-6%
Cost of Sales	578	798	(220)	-28%	1,197	1,544	(347)	-22%
<b>GROSS MARGIN %</b>	<b>54%</b>	<b>42%</b>		<b>12%</b>	<b>56%</b>	<b>47%</b>		<b>9%</b>
Lottery & Phone top up Revenue	4	8	(4)	-50%	12	20	(8)	-40%
Lottery & Phone Top up COS	4	8	(4)	-50%	11	19	(8)	-42%
<b>NET REVENUE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>0%</b>
<b>FOOD SERVICES</b>								
Revenue-Frozen dough	129	150	(21)	-14%	333	344	(11)	-3%
COS-Frozen dough	73	80	(7)	-9%	181	191	(10)	-5%
Gross Margin	<b>56</b>	<b>70</b>	<b>(14)</b>	<b>-20%</b>	<b>152</b>	<b>153</b>	<b>(1)</b>	<b>-1%</b>
Gross Margin %	<b>43%</b>	<b>47%</b>		<b>-4%</b>	<b>46%</b>	<b>44%</b>		<b>2%</b>
Revenue Vegware	15	17	(2)	-12%	36	50	(14)	-28%
COS Vegware	13	12	1	8%	33	38	(5)	-13%
Gross Margin	<b>2</b>	<b>5</b>		<b>-60%</b>	<b>3</b>	<b>12</b>		<b>-75%</b>
Gross Margin %	<b>13%</b>	<b>29%</b>		<b>-16%</b>	<b>8%</b>	<b>24%</b>		<b>-16%</b>
Dry Goods	8	15	(7)	-47%	22	22	-	0%
COS Dry Goods	5	11	(6)	-55%	15	15	-	0%
Gross Margin	<b>3</b>	<b>4</b>	<b>(1)</b>	<b>-25%</b>	<b>7</b>	<b>7</b>	<b>-</b>	<b>0%</b>
Gross Margin %	<b>38%</b>	<b>27%</b>		<b>11%</b>	<b>32%</b>	<b>32%</b>		<b>0%</b>
<b>TOTAL FOOD SERVICES REVENUE</b>	152	182	(30)	-16%	391	416	(25)	-6%
Total Food Services COS	91	103	(12)	-12%	229	244	(15)	-6%
Gross Margin	<b>61</b>	<b>79</b>	<b>(18)</b>	<b>-23%</b>	<b>162</b>	<b>172</b>	<b>(10)</b>	<b>-6%</b>
Average Food service Margins	<b>40%</b>	<b>43%</b>		<b>-3%</b>	<b>41%</b>	<b>41%</b>		<b>0%</b>
<b>TOTAL BICO REVENUE</b>	<b>1,405</b>	<b>1,562</b>	<b>(157)</b>	<b>-10%</b>	<b>3,127</b>	<b>3,349</b>	<b>(222)</b>	<b>-7%</b>
Cold Storage Revenue	244	267	(23)	-9%	807	860	(53)	-6%
Storage Revenue (Icecream)	23	23	-	0%	69	69	-	0%
<b>TOTAL COLD STORE REVENUES</b>	<b>267</b>	<b>290</b>	<b>(23)</b>	<b>-8%</b>	<b>876</b>	<b>929</b>	<b>(53)</b>	<b>-6%</b>
<b>TOTAL REVENUE</b>	<b>1,672</b>	<b>1,852</b>	<b>(180)</b>	<b>-10%</b>	<b>4,003</b>	<b>4,278</b>	<b>(275)</b>	<b>-6%</b>
<b>TRADING PROFIT</b>	<b>999</b>	<b>943</b>	<b>56</b>	<b>6%</b>	<b>2,566</b>	<b>2,471</b>	<b>95</b>	<b>4%</b>

**EXPENSES**

Employment cost	324	345	(21)	-6%	939	1,009	(70)	-7%
Electricity & Fuel Costs	106	106	-	0%	338	315	23	7%
Advertising	34	41	(7)	-17%	63	76	(13)	-17%
Depreciation	87	87	-	0%	254	298	(44)	-15%
Repairs & maintenance-vehicles	14	27	(13)	-48%	52	95	(43)	-45%
Repairs & maintenance-buildings&equip	7	27	(20)	-74%	36	55	(19)	-35%
Other operating expenses	109	119	(10)	-8%	350	341	9	3%
<b>TOTAL OPERATING EXPENSES</b>	<b>681</b>	<b>752</b>	<b>(71)</b>	<b>-9%</b>	<b>2,032</b>	<b>2,189</b>	<b>(157)</b>	<b>-7%</b>
Cold storage cost	23	23	-	0%	69	69	-	0%
<b>TOTAL OPERATING EXPENSES</b>	<b>704</b>	<b>775</b>	<b>(71)</b>	<b>-9%</b>	<b>2,101</b>	<b>2,258</b>	<b>(157)</b>	<b>-7%</b>
FINANCIAL EXPENSES	49	46	3	7%	139	138	1	1%
RESTRUCTURING COSTS	-	34	(34)	-100%	-	34	(34)	-100%
<b>TOTAL EXPENSES</b>	<b>753</b>	<b>855</b>	<b>(102)</b>	<b>-12%</b>	<b>2,240</b>	<b>2,430</b>	<b>(190)</b>	<b>-8%</b>
NET EARNINGS BEFORE OTHER INCOME & TAX	<b>246</b>	<b>88</b>	<b>158</b>	<b>180%</b>	<b>326</b>	<b>41</b>	<b>285</b>	<b>695%</b>
OTHER (EXPENSES)/INCOME	(2)	22	(24)	-109%	9	87	(78)	-90%
<b>NET EARNINGS before TAXATION</b>	<b>244</b>	<b>110</b>	<b>134</b>	<b>122%</b>	<b>335</b>	<b>128</b>	<b>207</b>	<b>162%</b>
CORPORATION TAX	-	-	-	0%	-	-	-	0%
Capital Gains	-	-	-	0%	-	-	-	0%
DEFERRED TAX	-	-	-	0%	-	(1)	-	-
<b>NET EARNINGS after TAXATION</b>	<b>244</b>	<b>110</b>	<b>134</b>	<b>122%</b>	<b>335</b>	<b>127</b>	<b>208</b>	<b>164%</b>
Electricity BL&P cost	106	106			338	315		
Fuel Costs	-	-			-	-		
<b>TOTAL</b>	<b>106</b>	<b>106</b>		<b>0%</b>	<b>338</b>	<b>315</b>		<b>7%</b>



## Aged Receivables Report

December 31, 2018

	Current	31 - 60	61 - 90	91-120	Over 120	Total
HARBOUR COLD STORAGE	\$ 261,579.75	\$ 12,898.98	\$ 18,771.25	\$ 3,188.77	\$ 191,935.29	\$ 488,374.04
As a % of total HCS receivable	54%	3%	4%	1%	39%	100%
No of customers:						
MOBILERS A/R	\$ 85,463.11	\$ (5,043.44)	\$ 2,037.60	\$ 7,439.20	\$ 10,813.20	\$ 100,709.67
As a % of total Mobiler receivable	85%	-5%	2%	7%	11%	100%
No of customers:						
LOCAL A/R (WHOLESALE)	\$ 1,061,299.39	\$ 381,761.17	\$ 93,964.10	\$ 33,739.42	\$ 177,698.44	\$ 1,748,462.52
As a % of total Local receivable	61%	22%	5%	2%	10%	100%
No of customers:						
<b>TOTAL A/R</b>	<b>\$ 1,408,342.25</b>	<b>\$ 389,616.71</b>	<b>\$ 114,772.95</b>	<b>\$ 44,367.39</b>	<b>\$ 380,446.93</b>	<b>\$ 2,337,546.23</b>
As a % of TOTAL receivable	60%	17%	5%	2%	16%	100%

TOTAL A/R	Nov-18	876,124.31	293,078.28	41,999.50	11,454.76	393,009.90	\$ 1,615,666.75
As a % of TOTAL receivable		54%	18%	3%	1%	24%	100%

TOTAL A/R	Oct-18	927,472.70	329,402.32	153,144.12	7,807.32	395,750.96	\$ 1,813,577.42
As a % of TOTAL receivable		57%	20%	9%	0%	24%	112%





## Aged Payables Report

December 31, 2018

	Current	31 - 60	61 - 90	91 - 120	Over 120	Total
Local Payables	\$ 170,794.79	\$ 192,476.57	\$ (6,855.89)	\$ (38,349.01)	\$ 266,508.00	\$ 584,574.46
As a % of total	29%	33%	-1%	-7%	46%	100%
TOTAL A/P - November 2018	\$ 326,829.80	\$ 84,748.62	\$ (32,153.22)	\$ 226,418.83	\$ 104,922.77	\$ 710,766.80
As a % of TOTAL payable	46%	12%	-5%	32%	15%	100%
TOTAL A/P - October 2018	\$ 544,026.21	\$ 217,807.88	\$ 287,315.81	\$ 3,604.25	\$ 111,318.52	\$ 1,164,072.67
As a % of TOTAL payable	47%	19%	25%	0%	10%	100%