



THE WEST INDIA BISCUIT COMPANY LIMITED

Chairman's Report and Summarised Financial Statements as at February 2019 (Expressed in Barbados Dollars)

CHAIRMAN'S REPORT

The first half of the current financial year was a challenging one for the Company. While domestic revenue declined, the export market grew by 6% leading to a flat overall performance over the prior year. These revenues have been affected by increasing tighter trading conditions in the Barbados market. Local retailers have also reported a decline in sales for the reporting period due primarily to the current economic climate in the island. In addition to lower volumes for some products, revenues have been negatively impacted by price reductions after the removal of NSRL on imported products.

Cost optimization and cost reduction efforts continued during the first half of the year and have resulted in lowering operating expenses by 7% compared to the previous year.

The Company embarked on the implementation of a new Enterprise Resource Planning system, Microsoft Dynamics AX which went live in October 2018. The benefits of this new accounting software will be realized in the future.

The year 2018 was a challenging one for the Barbadian economy as the Government entered into an Extended Fund Facility with the International Monetary Fund. Overall, the economic activity was sluggish with some contracting of the economy. Despite this, the Company remains hopeful that the measures implemented by the Government will see a turnaround in the economy and is optimistic that the rest of the year will see a positive improvement in the performance of the Company

The Board of Directors has declared an interim dividend of 25 cents per share.

C.D. Bynoe
Chairman

SUMMARISED STATEMENT OF INCOME FOR THE HALF YEAR ENDED FEBRUARY 28, 2019

	Unaudited February 28, 2019	Unaudited February 28, 2018	Audited August 31, 2018
Revenue from operations	29,954,021	30,134,661	60,878,343
Operating Expenses	(25,478,491)	(24,802,451)	(50,509,655)
Income before taxation	4,475,530	5,332,210	10,368,688
Taxation	(660,070)	(803,181)	(1,404,262)
Net Income after tax	3,815,460	4,529,029	8,964,426
Other comprehensive income/(loss)	2,244,600	(435,631)	(867,168)
Comprehensive Income for the period	6,060,060	4,093,398	8,097,258
Basic & diluted earnings per share - cents	126.3	149.8	296.7

SUMMARISED STATEMENT OF FINANCIAL POSITION AS AT FEBRUARY 28, 2019

	Unaudited February 28, 2019	Unaudited February 28, 2018	Audited August 31, 2018
Assets			
Current Assets	39,381,421	36,967,426	39,721,116
Current Liabilities	5,745,597	5,844,655	7,164,903
Working Capital	33,635,824	31,122,771	32,556,213
Investment Securities	10,666,338	8,192,502	8,421,739
Property, Plant and Equipment	24,466,576	22,466,100	23,189,198
Pension Plan Asset	5,482,378	4,751,920	5,689,437
Deferred Tax Liability	(2,133,023)	(2,015,554)	(2,133,023)
	72,118,093	64,517,740	67,723,564
Equity			
Share Capital	2,998,747	3,024,817	2,998,898
Other Reserves	5,966,492	4,153,430	3,721,892
Retained Earnings	63,152,854	57,339,493	61,002,774
Total Equity	72,118,093	64,517,740	67,723,564

SUMMARISED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED FEBRUARY 28, 2019

	Unaudited February 28, 2019	Unaudited February 28, 2018	Audited August 31, 2018
Net cash generated from operating activities	2,750,135	2,313,468	8,458,436
Net cash used in investing activities	(2,127,256)	(1,912,282)	(4,356,595)
Net cash used in financing activities	(1,665,532)	(1,488,248)	(2,478,415)
Net increase/(decrease) in cash and cash equivalents for the period	(1,042,653)	(1,087,062)	1,623,426
Cash and cash equivalents, beginning of the period	26,049,551	24,426,125	24,426,125
Cash and cash equivalents, end of the period	25,006,898	23,339,063	26,049,551

SUMMARISED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED FEBRUARY 28, 2019

	Unaudited February 28, 2019	Unaudited February 28, 2018	Audited August 31, 2018
Balance at August 31, 2018	67,723,564	62,104,721	62,104,721
Net Income for the period	3,815,460	4,529,029	8,964,426
Other Comprehensive Income	2,244,600	(435,631)	(867,168)
Share Retirement	(3,155)	(18,000)	(60,412)
Dividends paid (\$0.55 per share)	(1,662,377)	(1,662,377)	(2,418,003)
Balance as at February 28, 2019	72,118,093	64,517,740	67,723,564

Interim Dividend of \$0.25 per share declared and payable May 2019