



The West India Biscuit Co. Ltd.

THE WEST INDIA BISCUIT COMPANY LIMITED

Chairman's Report and Condensed Financial Statements
as at August 31, 2022
(Expressed in Barbados Dollars)

CHAIRMAN'S REPORT

We are pleased to report that The West India Biscuit Company Limited achieved a revenue growth of 10.3% over the prior year. Total revenue for the year was \$67.1 million, an increase of \$6.3 million. Export sales remain an important element of the Company's success and management continues to explore new market opportunities. This year saw an increase of 30% over the prior year, as the majority of our markets started to rebound after the negative impact of the COVID-19 pandemic.

Net income before tax for the year was \$10.3 million, compared to \$8.7 million in the prior year, which amounts to an 18% increase. Given the impact of the pandemic, as well as rising commodity and energy prices, this is a commendable performance for the Company.

During the year, one new variant was added to our cookie portfolio, Tea Time Red Velvet. The response to this was very encouraging as revenues surpassed expectations. We are also preparing to launch another variant in our Eclipse Cracker range by the end of the first quarter, and another new cookie in the second half of the year.

The Board of Directors declared a final dividend of 75 cents per share, which will be paid in January of 2023. This brings the total dividends for the year to 100 cents per share.

Our Balance Sheet remains strong and the Company is actively exploring new investment opportunities in keeping with our strategic goals.

I am happy to report that Professor C. Justin Robinson, a Professor of Corporate Finance and Ms. Margot Greene an established Attorney-at-Law joined the Board of Directors during the year. They both bring a wealth of experience in their area of expertise.

In closing, I would like to thank the management and staff for their continued efforts and commitment, the shareholders for their continued confidence and our customers for their loyal patronage.

Notwithstanding the current global economic challenges, the prolonged Ukraine war and threats of a recession, we remain optimistic that the business can continue to go from strength to strength as we ride the wave of increasing commodity prices and supply chain logistical challenges.

Ms. Chloe Bermudez
Chairman

CONDENSED STATEMENT OF INCOME FOR THE YEAR ENDED AUGUST 31, 2022

| | Audited August 31, 2022 | Audited August 31, 2021 |
|--|----------------------------|----------------------------|
| Revenue from operations | 67,090,937 | 60,810,334 |
| Operating expenses | (56,777,129) | (52,069,131) |
| Income before taxation | 10,313,808 | 8,741,203 |
| Taxation | (284,899) | (95,708) |
| Net Income for the year | 10,028,909 | 8,645,495 |
| Other comprehensive (loss)/income | (2,070,473) | 1,221,002 |
| Comprehensive income for the year | 7,958,436 | 9,866,497 |
| Basic & diluted earnings per share - cents | 332.2 | 286.4 |

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT AUGUST 31, 2022

| | Audited August 31, 2022 | Audited August 31, 2021 |
|---|----------------------------|----------------------------|
| Assets | | |
| Current assets | 53,583,185 | 46,549,167 |
| Current liabilities | 6,880,196 | 5,883,501 |
| Working capital | 46,702,989 | 40,665,666 |
| Financial assets measured at fair value through Other Comprehensive Income | 8,834,143 | 9,319,363 |
| Financial assets measured at amortised cost | 5,500,000 | 5,500,000 |
| Property, plant and equipment | 26,197,301 | 25,725,943 |
| Right of use assets | 237,522 | 301,371 |
| Lease liabilities | (238,730) | (305,751) |
| Pension plan asset | 6,671,752 | 7,751,185 |
| Deferred tax liability | (522,850) | (514,917) |
| | <u>93,382,127</u> | <u>88,442,860</u> |
| Equity | | |
| Share capital | 2,998,748 | 2,998,748 |
| Other reserves | 1,910,629 | 3,981,102 |
| Retained earnings | 88,472,750 | 81,463,010 |
| | <u>93,382,127</u> | <u>88,442,860</u> |

CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED AUGUST 31, 2022

| | 2022 | 2021 |
|---|-------------------|-------------------|
| Net cash generated from operating activities | 9,162,490 | 10,052,584 |
| Net cash used in investing activities | (1,967,750) | (3,479,747) |
| Net cash used in financing activities | (3,165,256) | (3,171,540) |
| Net increase in cash and cash equivalents for the period | 4,029,484 | 3,401,297 |
| Cash and cash equivalents, beginning of the period | 33,108,734 | 29,707,437 |
| Cash and cash equivalents, end of the year | <u>37,138,218</u> | <u>33,108,734</u> |

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED AUGUST 31, 2022

| | Share Capital | Equity Investments at FVOCI Reserve | Retained earnings | Other Reserves | Total Equity |
|-----------------------------------|------------------|--|-------------------|------------------|-------------------|
| Balance at August 31, 2020 | 2,998,748 | 1,702,941 | 75,836,684 | 1,057,159 | 81,595,532 |
| Net Income for the year | - | - | 8,645,495 | - | 8,645,495 |
| Other comprehensive gain | - | 349,143 | - | 871,859 | 1,221,002 |
| Dividends paid (\$0.75 per share) | - | - | (3,019,169) | - | (3,019,169) |
| Balance at August 31, 2021 | <u>2,998,748</u> | <u>2,052,084</u> | <u>81,463,010</u> | <u>1,929,018</u> | <u>88,442,860</u> |
| Net Income for the period | - | - | 10,028,909 | - | 10,028,909 |
| Other comprehensive loss | - | (485,220) | - | (1,585,253) | (2,070,473) |
| Dividends paid (\$1.00 per share) | - | - | (3,019,169) | - | (3,019,169) |
| Balance at August 31, 2022 | <u>2,998,748</u> | <u>1,566,864</u> | <u>88,472,750</u> | <u>343,765</u> | <u>93,382,127</u> |



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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF THE WEST INDIA BISCUIT COMPANY LIMITED

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 August 2022, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended and related notes, are derived from the complete audited financial statements of The West India Biscuit Company Limited for the year ended 31 August 2022.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (“IFRSs”). Reading the summary financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor’s report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 November 2022.

The audited financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

Responsibilities of Management for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with Note 1.

Auditor’s Responsibilities for the Audit of the Summary Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

29 November 2022
BARBADOS

Note 1

The summary financial statements are prepared in accordance with criteria developed by management. Under management’s established criteria, management discloses the summary statement of financial position, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of The West India Biscuit Company Limited for the period ended 31 August 2022, which are prepared in accordance with International Financial Reporting Standards.