

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Financial Statements (Unaudited)

Nine months ended September 30, 2015

COMMONWEALTH BREWERY LIMITED

Management comments on Interim Consolidated Financial Statements (Unaudited)

Nine months ended September 30, 2015

Revenue declined by 1.4% in the third quarter compared to the same period last year, mainly driven by lower sales volume.

Operating expenses declined by 1.3% driven by lower raw materials, consumables and services costs. Overall costs remained stable.

Net income consequently decreased by 15.7% compared to the prior quarter of 2014. Earnings per share for the 3 months ended September 2015 amounted to \$ 0.13.

On March 19th, 2015 the board of directors declared a final dividend of \$0.36 per share related to 2014. This amount was paid May 21st, 2015 to shareholders of record on May 7th, 2015. Including the earlier payment of an interim dividend of \$0.25 per share, this brings total dividend related to 2014 to \$ 0.61 per share.

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Financial Position (Unaudited)

September 30, 2015 with corresponding figures for December 31, 2014

(Expressed in Bahamian dollars)

	September 2015	December 2014
Assets		
Current Assets:		
Cash and cash equivalents	(1,743,281)	7,125,222
Trade receivables	2,909,389	3,163,708
Prepaid expenses and other assets	5,048,061	1,791,837
Inventories	29,532,305	20,400,172
Total current assets	35,746,474	32,480,939
Non-current Assets:		
Goodwill	4,487,242	4,487,242
Property, plant and equipment - net	36,266,576	37,130,247
Intangible assets	121,151	156,017
Total non-current assets	40,874,969	41,773,506
Total assets	76,621,443	74,254,445
Liabilities and Equity		
Current Liabilities:		
Accounts payable and accrued expenses	13,886,029	12,431,642
Total current liabilities	13,886,029	12,431,642
Equity:		
Share capital	150,000	150,000
Share premium	12,377,952	12,377,952
Contributed surplus	16,351,369	16,351,369
Revaluation surplus	7,096,254	7,096,254
Retained earnings	26,759,839	25,847,228
Total equity	62,735,414	61,822,803
Total liabilities and equity	76,621,443	74,254,445

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the three months ended September, 30, 2015, with corresponding figures for the three months ended September 30, 2014
(Expressed in Bahamian dollars)

	Note(s)	September 2015	September 2014
Revenue		30,021,371	30,430,880
Other income		3,436	644,907
Total income		30,024,807	31,075,787
Operating expenses:			
Raw materials, consumables and services		20,931,350	21,573,866
Personnel costs		4,514,062	4,245,627
Depreciation		811,470	794,225
Amortisation		9,400	7,577
Total operating expenses		26,266,282	26,621,295
Results from operating activities		3,758,525	4,454,492
Finance income		-4,210	-1,841
Net finance income		-4,210	-1,841
Net income and total comprehensive income		3,754,315	4,452,651
Basic and diluted earnings per share		0.13	0.15

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the nine months ended September, 30, 2015, with corresponding figures for the nine months ended September 30, 2014

(Expressed in Bahamian dollars)

	Note(s)	September 2015	September 2014
Revenue		91,004,628	89,836,499
Other income		491,769	646,660
Total income		91,496,397	90,483,159
Operating expenses:			
Raw materials, consumables and services		63,880,994	62,039,924
Personnel costs		13,514,182	12,844,045
Depreciation		2,349,534	2,301,532
Amortisation		34,866	17,578
Total operating expenses		79,779,576	77,203,079
Results from operating activities		11,716,821	13,280,080
Finance income		-4,210	363
Net finance income		-4,210	363
Net income and total comprehensive income		11,712,611	13,280,443
Basic and diluted earnings per share		0.39	0.44

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Changes in Equity (Unaudited)

For the nine months ended September 30, 2015

(Expressed in Bahamian dollars)

	Share capital	Share premium	Contributed surplus	Revaluation surplus	Retained earnings	Total equity
Balance at December 31, 2014	150,000	12,377,952	16,351,369	7,096,254	25,847,228	61,822,803
Total comprehensive income					11,712,611	11,712,611
LTIP					-	-
Dividends declared/paid					(10,800,000)	(10,800,000)
Balance at September 30, 2014	150,000	12,377,952	16,351,369	4,269,587	26,759,839	62,735,414

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Interim Consolidated Statement of Cash Flows (Unaudited)

For the nine months ended September 30, 2015, with corresponding figures for the nine months ended September 30, 2014
(Expressed in Bahamian dollars)

	Note(s)	2015	2014
Cash flows from operating activities			
Net income and total comprehensive income		11,712,611	13,280,443
Adjustments for:			
Depreciation		2,349,534	2,301,532
Amortisation		34,866	17,578
Interest income/expense		4,210	(363)
Net cash from operations before changes in working capital		14,101,221	15,599,190
Changes in non-cash working capital		(10,679,651)	(5,578,777)
Net cash from operating activities		3,421,570	10,020,413
Cash Flows from financing activities			
Repayments of bank loans			
Proceeds from issue of share capital			
Interest paid		(4,210)	-
Dividends paid		(10,800,000)	(11,700,000)
Net Cash used in financing activities		(10,804,210)	(11,700,000)
Cash flows from investing activities			
Additions to property, plant and equipment		(1,485,863)	(1,659,269)
Interest received		-	363
Net cash used in investing activities		(1,285,863)	(1,658,906)
Net increase in cash and cash equivalents		(8,868,503)	(3,338,493)
Cash and cash equivalents, beginning of year		7,125,222	6,753,447
Cash and cash equivalents, end of period		(1,743,281)	3,414,954

(Unaudited)

COMMONWEALTH BREWERY LIMITED

Notes to Interim Consolidated Financial Statements (Unaudited)

Nine months ended September 30, 2015

(Expressed in Bahamian dollars)

1. Accounting Policies

These interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by IFRS for consolidated financial statements. In the opinion of management, these unaudited consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company’s financial position and results of operations as at the end of and for the periods presented. All significant intercompany accounts and transactions have been eliminated from these unaudited consolidated financial statements.

2. Dividends Declared

March 19th, 2015 the board of directors declared a final dividend of \$0.36 per share related to 2014. This amount was paid May 21st, 2015 to shareholders of record on May 7th, 2015. Including the earlier payment of an interim dividend of \$0.25 per share, this brings total dividend related to 2014 to \$ 0.61 per share.