

INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED)

Bahamas Waste Limited  
Three Months Ended March 31, 2020

Bahamas Waste Limited

Interim Condensed Financial Statements (Unaudited)

Three Months Ended March 31, 2020

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## Bahamas Waste Limited

### Interim Statement of Financial Position (Unaudited) (Expressed in Bahamian Dollars)

	<b>March 31</b>	<b>December 31</b>
	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 1,922,487	\$ 1,607,261
Accounts receivable, net	2,230,451	2,462,415
Inventories	860,296	816,533
Prepaid expenses and other receivables	665,585	302,695
Total current assets	<b>5,678,819</b>	<b>5,188,904</b>
<b>Non-current assets</b>		
Loan Receivable	114,553	118,827
Investment in associates	67,781	69,790
Property, plant, and equipment, net	6,381,178	6,488,101
Total non-current assets	<b>6,563,512</b>	<b>6,676,178</b>
Total assets	<b>\$ 12,242,331</b>	<b>\$ 11,865,621</b>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 598,634	\$ 661,246
Total current liabilities	<b>598,634</b>	<b>661,246</b>
<b>Non-current liabilities</b>		
Security deposits	711,165	702,936
Total liabilities	<b>1,309,799</b>	<b>1,364,182</b>
<b>Shareholders' equity</b>		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(700,200)	(700,200)
Retained earnings	8,838,619	8,407,526
Total shareholders' equity	<b>10,932,532</b>	<b>10,501,439</b>
Total liabilities and shareholders' equity	<b>\$ 12,242,331</b>	<b>\$ 11,865,621</b>

#### **Commitments and contingencies (Note 6)**

*See accompanying notes to interim condensed financial statements (unaudited).*

## Bahamas Waste Limited

### Interim Condensed Statement of Comprehensive Income (Unaudited) (Expressed in Bahamian Dollars)

	Three Months Ended March 31	
	2020	2019
Sales and services rendered	\$ 3,283,193	\$ 3,279,079
Cost of sales and direct expenses	<u>(1,915,474)</u>	<u>(2,011,245)</u>
Gross profit	<u>1,367,719</u>	<u>1,267,834</u>
<b>Expenses</b>		
Operating	926,089	862,542
Bank charges	<u>10,537</u>	<u>13,872</u>
Total operating expenses	<u>936,626</u>	<u>876,414</u>
Net income being comprehensive income for the period	<u>\$ 431,093</u>	<u>\$ 391,420</u>
Earnings per share (Note 4)	<u>\$ 0.11</u>	<u>\$ 0.10</u>

See accompanying notes to interim condensed financial statements (unaudited).

## Bahamas Waste Limited

### Interim Statement of Changes in Shareholders' Equity (Unaudited) (Expressed in Bahamian Dollars)

	<b>Number of Shares Issued</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Treasury Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at December 31, 2019	4,200,000	\$ 42,000	\$ 2,752,113	\$ (700,200)	\$ 8,407,526	\$ 10,501,439
Purchase of treasury shares	-	-	-	-	-	-
Net income being comprehensive income for the period	-	-	-	-	431,093	431,093
Balance at March 31, 2020	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (700,200)</b>	<b>\$ 8,838,619</b>	<b>\$ 10,932,532</b>

	<b>Number of Shares Issued</b>	<b>Share Capital</b>	<b>Contributed Surplus</b>	<b>Treasury Shares</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at December 31, 2018	4,200,000	\$ 42,000	\$ 2,752,113	\$ (675,649)	\$ 8,369,131	\$ 10,487,595
Purchase of treasury shares				(16,180)		(16,180)
Net income being comprehensive income for the period	-	-	-	-	391,420	391,420
Balance at March 31, 2019	<b>4,200,000</b>	<b>\$ 42,000</b>	<b>\$ 2,752,113</b>	<b>\$ (691,829)</b>	<b>\$ 8,760,551</b>	<b>\$ 10,862,835</b>

*See accompanying notes to interim condensed financial statements (unaudited)*

# Bahamas Waste Limited

## Interim Statements of Cash Flows (Unaudited) (Expressed in Bahamian Dollars)

	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
Net income being comprehensive income for the period	\$ 431,093	\$ 391,420
Adjustments for items not involving use of cash:		
Depreciation	318,749	314,459
Bad debt expense	54,460	46,028
Share in loss from investment in associates	2,009	20,933
Gain on disposal of fixed assets	(10,000)	-
	796,311	772,840
Change in non-cash working capital items:		
Decrease (increase) in accounts receivable	177,503	1,294
Increase in inventories	(43,763)	(12,785)
Increase in prepaid expenses and other receivables	(362,890)	(361,113)
Decrease in loans receivable	4,274	4,066
Increase (decrease) in accounts payable and accrued liabilities	(62,611)	39,950
Increase in security deposits	8,229	31,152
Net cash flow provided by operating activities	517,053	475,404
<b>Investing activities</b>		
Purchases of property, plant, and equipment	(211,826)	(324,788)
Proceeds from sale of fixed assets	10,000	-
Net cash flow used in investing activities	(201,826)	(324,788)
<b>Financing activities</b>		
Purchases of treasury stock	-	(16,180)
Net cash flow used in financing activities	-	(16,180)
Net change in cash	315,227	134,436
Cash, at beginning of the period	1,607,261	1,249,239
Cash, at end of the period	\$ 1,922,488	\$ 1,383,675

*See accompanying notes to interim condensed financial statements (unaudited).*

# Bahamas Waste Limited

## Notes to Interim Condensed Financial Statements (Unaudited) (Expressed in Bahamian Dollars)

March 31, 2020

### **1. Corporate Information**

Bahamas Waste Limited (the Company) was incorporated under the laws of the Commonwealth of The Bahamas on August 18, 1987. It is engaged in the business of solid and medical waste collection and disposal, including the sale, installation, rental, and maintenance of waste compactors and containers. The Company has publicly traded shares which are registered on the Bahamas International Stock Exchange (BISX).

The quarter ends of the Company fall on March 31, June 30, and September 30, with the year-end of the Company being December 31. The latest audited accounts of the Company were prepared as at December 31, 2019, and the year then ended, in its reporting currency Bahamian Dollars.

The interim condensed financial statements (unaudited) for March 31, 2020 were authorized for issue by the directors on May 13, 2020.

### **2. Summary of Significant Accounting Policies**

#### **Basis of Preparation**

These interim condensed financial statements (unaudited) for March 31, 2020 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The interim condensed financial statements (unaudited) do not include all of the information and Company's disclosures required in the annual financial statements, and should be read in conjunction with the December 31, 2019, audited financial statements.

The accounting policies adopted in the preparation of the interim condensed financial statements (unaudited) are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2019.

## Bahamas Waste Limited

### Notes to Interim Condensed Financial Statements (Unaudited) (continued) (Expressed in Bahamian Dollars)

#### 3. Earnings Per Share

Earnings per share of \$0.11 (March 2019 – \$0.10) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2020</u>	<u>2019</u>
Shares outstanding at end of period	3,980,347	3,984,883

#### 4. Related-Party Transactions and Balances

During the quarter, the Company entered into transactions with related parties. All transactions and balances were conducted at arm's length. There were no significant obligations to the related parties for the three months ended March 31, 2020 and 2019.

#### 5. Treasury Stock

On October 24, 2012, the Company's Board of Directors approved a program for the repurchase of up to 10% (420,000) of its outstanding ordinary shares over the 36-month period ending October 31, 2015. The Board of Directors approved the extension of the share repurchase program on October 24, 2015, and again on October 30, 2018. The current program will run for further 36-month period ending October 31, 2021.

During the three months ended March 31, 2020, there were no common share repurchased (March 2019: 3,000).

#### 6. Commitments and Contingencies

The Company guarantees its compactors sales for a 60-day period from the date of purchase. The Company is reimbursed by the manufacturer for any claims paid under such guarantees.