

INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

Bahamas Waste Limited
Three Months Ended March 31, 2023

Bahamas Waste Limited

Interim Condensed Financial Statements (Unaudited)

Three Months Ended March 31, 2023

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Bahamas Waste Limited

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

	March 31 2023	December 31 2022
Assets		
Current assets		
Cash	\$ 5,352,237	\$ 5,149,115
Accounts receivable, net	2,087,943	1,896,486
Inventories	1,162,386	982,380
Prepaid expenses and other receivables	491,075	165,141
Total current assets	<u>9,093,641</u>	<u>8,193,122</u>
Non-current assets		
Loan Receivable	-	-
Investment in associates	11,455	13,131
Property, plant, and equipment, net	4,603,509	4,691,886
Total non-current assets	<u>4,614,964</u>	<u>4,705,017</u>
Total assets	<u><u>\$ 13,708,605</u></u>	<u><u>\$ 12,898,139</u></u>
Liabilities and shareholders' equity		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,056,847	\$ 960,429
Total current liabilities	<u>1,056,847</u>	<u>960,429</u>
Non-current liabilities		
Security deposits	795,468	765,958
Total liabilities	<u>1,852,315</u>	<u>1,726,387</u>
Shareholders' equity		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(832,169)	(832,169)
Retained earnings	9,894,346	9,209,808
Total shareholders' equity	<u>11,856,290</u>	<u>11,171,752</u>
Total liabilities and shareholders' equity	<u><u>\$ 13,708,605</u></u>	<u><u>\$ 12,898,139</u></u>

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	
	2023	2022
Sales and services rendered	\$ 3,488,920	\$ 3,026,601
Cost of sales and direct expenses	(1,905,206)	(1,723,305)
Gross profit	1,583,714	1,303,296
Expenses		
Operating	882,681	758,748
Bank charges	16,495	14,266
Total operating expenses	899,176	773,014
Net income being comprehensive income for the period	\$ 684,538	\$ 530,282
Earnings per share (Note 4)	\$ 0.17	\$ 0.13

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

Bahamas Waste Limited

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

	Number of Shares Issued	Share Capital	Contributed Surplus	Treasury Shares	Retained Earnings	Total
Balance at December 31, 2021	4,200,000	\$ 42,000	\$ 2,752,113	\$ (796,582)	\$ 9,639,919	\$ 11,637,450
Purchase of treasury shares	-	-	-	-	-	-
Net income being comprehensive income for the period	-	-	-	-	530,282	530,282
Balance at March 31, 2022	4,200,000	\$ 42,000	\$ 2,752,113	\$ (796,582)	\$ 10,170,201	\$ 12,167,732

	Number of Shares Issued	Share Capital	Contributed Surplus	Treasury Shares	Retained Earnings	Total
Balance at December 31, 2022	4,200,000	\$ 42,000	\$ 2,752,113	\$ (832,170)	\$ 9,209,808	\$ 11,171,752
Purchase of treasury shares	-	-	-	-	-	-
Net income being comprehensive income for the period	-	-	-	-	684,538	684,538
Balance at March 31, 2023	4,200,000	\$ 42,000	\$ 2,752,113	\$ (831,170)	\$ 9,894,346	\$ 11,856,290

See accompanying notes to interim condensed financial statements (unaudited)

Bahamas Waste Limited

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

	Three Months Ended March 31	
	2023	2022
Operating activities		
Net income being comprehensive income for the period	\$ 684,538	\$ 530,282
Adjustments for items not involving use of cash:		
Depreciation	232,890	259,162
Bad debt expense	43,924	(45,386)
Share in loss from investment in associates	1,676	6,530
Gain on disposal of fixed assets	8,744	-
	<u>971,772</u>	<u>750,588</u>
Change in non-cash working capital items:		
Decrease (increase) in accounts receivable	(235,381)	239,949
Increase in inventories	(180,006)	13,271
Increase in prepaid expenses and other receivables	(325,933)	(400,894)
Decrease in loans receivable	-	-
Increase (decrease) in accounts payable and accrued liabilities	96,418	42,260
Increase in security deposits	29,511	3,161
Net cash flow provided by operating activities	<u>356,381</u>	<u>648,335</u>
Investing activities		
Purchases of property, plant, and equipment	(153,259)	(211,078)
Proceeds from sale of fixed assets	-	-
Net cash flow used in investing activities	<u>(153,259)</u>	<u>(211,078)</u>
Financing activities		
Purchases of treasury stock	-	-
Net cash flow used in financing activities	<u>-</u>	<u>-</u>
Net change in cash	203,122	437,257
Cash, at beginning of the period	5,149,115	4,764,581
Cash, at end of the period	<u><u>\$ 5,352,237</u></u>	<u><u>\$ 5,201,838</u></u>

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, 2023

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, 2022, and the year then ended, in its reporting currency Bahamian Dollars.

The interim condensed financial statements (unaudited) for March 31, 2023 were authorized for issue by the directors on May 10, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation

These interim condensed financial statements (unaudited) for March 31, 2023 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, 2022, 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, 2022.

Bahamas Waste Limited

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

3. Earnings Per Share

Earnings per share of \$0.17 (March 2022 – \$0.13) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2023</u>	<u>2022</u>
Shares outstanding at end of period	3,971,610	3,971,610

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, 2023 and 2022.

5. Treasury Stock

On November 3, 2021, the Board of Directors renewed the authorization for the purchase of up to 10% (420,000) of the Company's outstanding common shares over the 36-month period ending October 31, 2024. During the three months ended March 31, 2023, there were no common shares repurchased (March 2022: None).

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.