

INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

Bahamas Waste Limited
Three Months Ended March 31, 2021

Bahamas Waste Limited

Interim Condensed Financial Statements (Unaudited)

Three Months Ended March 31, 2021

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Bahamas Waste Limited

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

	March 31	December 31
	2021	2020
Assets		
Current assets		
Cash	\$ 4,230,792	\$ 3,579,680
Accounts receivable, net	1,797,394	1,760,550
Inventories	860,434	823,930
Prepaid expenses and other receivables	551,682	211,947
Total current assets	7,400,301	6,376,107
Non-current assets		
Loan Receivable	-	-
Investment in associates	38,485	38,485
Property, plant, and equipment, net	5,368,188	5,641,474
Total non-current assets	5,406,672	5,679,959
Total assets	\$ 12,806,974	\$ 12,056,066
Liabilities and shareholders' equity		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 658,090	\$ 534,688
Total current liabilities	658,090	534,688
Non-current liabilities		
Security deposits	726,066	721,963
Total liabilities	1,384,156	1,256,651
Shareholders' equity		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(700,200)	(700,200)
Retained earnings	9,335,505	8,712,102
Total shareholders' equity	11,422,818	10,799,415
Total liabilities and shareholders' equity	\$ 12,806,974	\$ 12,056,066

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	
	2021	2020
Sales and services rendered	\$ 2,719,210	\$ 3,283,193
Cost of sales and direct expenses	<u>(1,560,321)</u>	<u>(1,915,474)</u>
Gross profit	<u>1,158,889</u>	<u>1,367,719</u>
Expenses		
Operating	523,537	926,089
Bank charges	<u>11,949</u>	<u>10,537</u>
Total operating expenses	<u>535,486</u>	<u>936,626</u>
Net income being comprehensive income for the period	<u>\$ 623,403</u>	<u>\$ 431,093</u>
Earnings per share (Note 4)	<u>\$ 0.16</u>	<u>\$ 0.11</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)

	Number of Shares Issued	Share Capital	Contributed Surplus	Treasury Shares	Retained Earnings	Total
Balance at December 31, 2020	4,200,000	\$ 42,000	\$ 2,752,113	\$ (706,800)	\$ 8,712,102	\$ 10,799,415
Purchase of treasury shares	-	-	-	-	-	-
Net income being comprehensive income for the period	-	-	-	-	623,403	623,403
Balance at March 31, 2021	4,200,000	\$ 42,000	\$ 2,752,113	\$ (706,800)	\$ 9,335,505	\$ 11,422,818

	Number of Shares Issued	Share Capital	Contributed Surplus	Treasury Shares	Retained Earnings	Total
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	4,200,000	\$ 42,000	\$ 2,752,113	\$ (700,200)	\$ 8,838,619	\$ 10,932,532

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	
	2021	2020
Operating activities		
Net income being comprehensive income for the period	\$ 623,403	\$ 431,093
Adjustments for items not involving use of cash:		
Depreciation	303,503	381,749
Bad debt expense	(262,209)	54,460
Share in loss from investment in associates	-	2009
Gain on disposal of fixed assets	-	(10,000)
	664,697	796,311
Change in non-cash working capital items:		
Decrease (increase) in accounts receivable	225,365	177,503
Increase in inventories	(36,504)	(43,763)
Increase in prepaid expenses and other receivables	(299,734)	(362,890)
Decrease in loans receivable	-	4,274
Increase (decrease) in accounts payable and accrued liabilities	123,402	(62,611)
Increase in security deposits	4,103	8,229
Net cash flow provided by operating activities	681,329	517,053
Investing activities		
Purchases of property, plant, and equipment	(30,217)	(211,826)
Proceeds from sale of fixed assets	-	10,000
Net cash flow used in investing activities	(30,217)	(201,826)
Financing activities		
Purchases of treasury stock	-	-
Net cash flow used in financing activities	-	-
Net change in cash	651,112	315,227
Cash, at beginning of the period	3,579,680	1,607,261
Cash, at end of the period	\$ 4,230,792	\$ 1,922,488

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, 2021

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, 2021 were authorized for issue by the directors on May 5, 2021.

2. Summary of Significant Accounting Policies

Basis of Preparation

These interim condensed financial statements (unaudited) for March 31, 2021 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, 2020, 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, 2020.

Bahamas Waste Limited

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

3. Earnings Per Share

Earnings per share of \$0.16 (March 2020 – \$0.11) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2021</u>	<u>2020</u>
Shares outstanding at end of period	3,978,722	3,980,347

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, 2021 and 2020.

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, 2021, there were no common share repurchased (March 2019: 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.