

INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

Bahamas Waste Limited
Nine Months Ended September 30, 2023

Bahamas Waste Limited

Interim Condensed Financial Statements (Unaudited)

Nine Months Ended September 30, 2023

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Bahamas Waste Limited

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

	September 30	December 31
	2023	2022
Assets		
Current assets		
Cash	\$ 4,474,194	\$ 5,149,115
Accounts receivable, net	2,298,477	1,896,486
Inventories	1,302,447	982,380
Prepaid expenses and other receivables	275,789	165,141
Total current assets	8,350,907	8,193,122
Non-current assets		
Loan Receivable	-	-
Investment in associates	11,455	13,131
Property, plant, and equipment, net	5,017,015	4,691,886
Total non-current assets	5,028,470	4,705,017
Total assets	\$ 13,379,377	\$ 12,898,139
Liabilities and shareholders' equity		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 790,004	\$ 960,429
Total current liabilities	790,004	960,429
Non-current liabilities		
Security deposits	840,791	765,958
Total liabilities	1,630,795	1,726,387
Shareholders' equity		
Share capital and contributed surplus	2,794,113	2,794,113
Treasury shares	(832,169)	(832,169)
Retained earnings	9,786,638	9,209,808
Total shareholders' equity	11,748,582	11,171,752
Total liabilities and shareholders' equity	\$ 13,379,377	\$ 12,898,139

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)

	Nine Months Ended September 30	
	2023	2022
Sales and services rendered	\$ 10,532,381	\$ 9,253,105
Cost of sales and direct expenses	(5,836,962)	(5,716,133)
Gross profit	4,695,419	3,536,972
Expenses		
Operating	2,797,974	2,335,407
Interest and bank charges	51,837	45,134
Total operating expenses	2,849,811	2,380,541
Net income being comprehensive income for the period	\$ 1,845,608	\$ 1,156,431
Earnings per share (<i>Note 3</i>)	\$ 0.46	\$ 0.29

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
Net income being comprehensive income for the period	-	-	-	-	1,156,431	1,156,431
Purchase of treasury shares	-	-	-	(19,500)	-	(19,500)
Dividends	-	-	-	-	(634,120)	(634,120)
-Balance at September 30, 2022	4,200,000	\$ 42,000	\$ 2,752,113	\$ (816,082)	\$ 10,162,230	\$ 12,140,261
	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
Net income being comprehensive income for the period	-	-	-	-	1,845,608	1,845,608
Purchase of treasury shares	-	-	-	-	-	-
Dividends	-	-	-	-	(1,268,779)	(1,268,779)
Balance at September 30, 2023	4,200,000	\$ 42,000	\$ 2,752,113	\$ (832,170)	\$ 9,786,637	\$ 11,748,581

See accompanying notes to interim condensed financial statements (unaudited)

Bahamas Waste Limited

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

	Nine Months Ended September 30	
	2023	2022
Operating activities		
Net income being comprehensive income for the period	\$ 1,845,608	\$ 1,156,431
Adjustments for items not involving use of cash:		
Depreciation	706,218	763,662
Bad debt expense	254,394	(55,768)
Write down of obsolete inventory	-	-
Gain on sale of fixed assets	15,806	705
Share in loss from investment in associates	1,676	16,622
	2,823,702	1,881,652
Change in non-cash working capital items:		
Decrease/(Increase) in accounts receivable	(656,384)	475,105
Increase in inventories	(320,067)	(31,635)
Increase in prepaid expenses and other receivables	(110,648)	(145,808)
Decrease in Loan receivable	-	-
(Decrease) Increase in accounts payable and accrued liabilities	(170,425)	(13,598)
Increase in security deposits	74,832	22,240
Net cash flow provided by operating activities	1,641,010	2,187,956
Investing activities		
Purchases of property, plant and equipment	(1,048,612)	(540,214)
Proceeds from sale of fixed assets	1,460	-
Net cash flow used in investing activities	(1,047,153)	(540,214)
Financing activities		
Purchases of treasury stock	-	(19,500)
Dividends	(1,268,779)	(634,120)
Net cash flow used in financing activities	(1,268,779)	(653,620)
Net change in cash	(674,921)	994,122
Cash, at beginning of the period	5,149,115	4,764,581
Cash, at end of the period	\$ 4,474,194	\$ 5,758,703

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

Bahamas Waste Limited

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

September 30, 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 for the year then ended. Its reporting currency is Bahamian Dollars.

The interim condensed financial statements (unaudited) for September 30, 2023 were authorized for issue by the Directors on November 8, 2023.

2. Summary of Significant Accounting Policies

Basis of Preparation

These interim condensed financial statements (unaudited) for September 30, 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)

September 30, 2023

3. Earnings per Share

Earnings per share of \$0.46 (September 2022 – \$0.29) were calculated based on the shares outstanding at the end of the period, which approximated average shares outstanding during the period.

	<u>2022</u>	<u>2021</u>
Shares outstanding at end of period	3,969,610	3,969,610

4. Related-Party Transactions and Balances

During the period, 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 nine months ended September 30, 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 nine months ended September 30, 2023, there were no common shares purchased (September 2022: 2,000).

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.