

Directors' Statement:

The financial results for the nine months ended September 30, 2024, reflect a challenging period for Barbados Dairy Industries Limited. Sales for the period were \$37.887 million, a decrease compared to \$43.577 million for the same period in 2023 and the full year 2023 sales of \$61.259 million.

The company recorded an operating loss from operations before undernoted items of \$2.762 million for the nine months ended September 30, 2024, a significant increase from the \$0.483 million loss in the prior year's nine-month period. After accounting for restructuring costs and interest expense, the income before taxation was a loss of \$2.746 million, compared to a loss of \$1.038 million in the corresponding period of 2023 and a profit of \$0.373 million for the full year 2023.

The net loss for the period stood at \$2.726 million, worsening from the \$1.027 million loss reported for the nine months ended September 30, 2023. Total comprehensive loss for the period was \$3.535 million, inclusive of other comprehensive loss. This resulted in a basic and diluted loss per share of \$0.58, compared to a loss per share of \$0.22 in the previous year.

The net losses for the period are primarily attributed to global supply chain challenges associated with milk powder availability and reduced production of raw milk from the local market due to operational and environmental factors which affect productivity at the farm level.

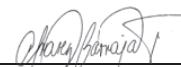
Turning to the Statement of Financial Position as at September 30, 2024, current assets were \$43.751 million, while current liabilities amounted to \$27.269 million, resulting in working capital of \$16.481 million. This

represents a decrease in working capital compared to \$19.583 million at September 30, 2023, and \$20.103 million at December 31, 2023. Property, plant, and equipment decreased slightly to \$12.734 million from \$13.222 million at December 31, 2023. Total shareholders' equity decreased to \$33.896 million as at September 30, 2024, from \$37.431 million at December 31, 2023, primarily due to the net comprehensive loss incurred during the period.

The Summary Statement of Cash Flows for the nine months ended September 30, 2024, shows net cash from operating activities of \$0.420 million. However, net cash used in investing activities was \$2.254 million, and net cash used in financing activities was \$0.121 million. This resulted in a net decrease in cash of \$1.955 million for the period, bringing the cash balance at the end of the period to \$4.224 million, down from \$6.180 million at the beginning of the year.

The Board is actively addressing the challenges impacting the company's performance and is focused on implementing strategies to improve sales, manage costs effectively, and return to profitability.

Please note: These comments are based on the provided unaudited financial statements.



Luis M. Alvarez
Chairman



Shafia London
Country Manager

**Summary Statement of Financial Position
As at September 30 2024
With Comparatives as at 30th September 2024 and December 31 2023
(Expressed in Barbados dollars)**

	Unaudited 30.09.2024 \$'000	Unaudited 30.09.2023 \$'000	Unaudited 31.12.2023 \$'000
Current assets	43,751	38,959	39,974
Current liabilities	-27,269	-19,376	-19,871
Working capital	16,481	19,583	20,103
Property, plant and equipment	12,734	10,814	13,222
Pension plan asset	3,590	4,148	4,264
Deferred tax asset	1,574	1,408	1,544
Long-term liabilities	-45	-121	-1,299
Post-employment medical liability	-438	-429	-403
	33,896	35,404	37,431
Shareholders' equity			
Share capital	998	998	998
Other Reserves	-4,324	-3,817	-3,516
Retained earnings	37,222	38,224	39,949
	33,896	35,404	37,431

**Summary Statement of Comprehensive Income
9 Months Ended September 30 2024
With Comparatives for 9 Months Ended September 30 2023 and
December 31 2023
(Expressed in Barbados dollars)**

	Unaudited 9 Months Ended 30.09.2024 \$'000	Unaudited 9 Months Ended 30.09.2023 \$'000	Unaudited 12 Months Ended 31.12.2023 \$'000
Sales	37,887	43,577	61,259
Operating profit from operations before undernoted items	-2,762	-483	213
Restructuring costs	-23	-107	-57
Interest expense	38	-447	218
Income before taxation	-2,746	-1,038	373
Taxation	20	11	-17
Net income for the period	-2,726	-1,027	357
Other comprehensive (loss) income, net of tax	-808	-438	205
Total comprehensive income for the period	-3,535	-1,465	561
Earnings per share - basic and diluted	(0.58)	(0.22)	0.08

**Summary Statement of Changes in Equity
Period Ended September 30 2024
With Comparatives as at 30th September 2023 and December 31 2023
(Expressed in Barbados dollars)**

	Unaudited 9 Months Ended 30.09.2024 \$'000	Unaudited 9 Months Ended 30.09.2023 \$'000	Unaudited Year Ended 31.12.2023 \$'000
Balance at the beginning of the period	37,431	36,870	36,870
Net comprehensive income for the period	-3,535	-1,465	561
Dividends	0	0	0
Balance at the end of the period	33,896	35,404	37,431

**Summary Statement of Cash Flows
9 Months Ended September 30 2024
With Comparatives for the Year Ended December 31 2023
(Expressed in Barbados dollars)**

	Unaudited Year Ended 30.09.2024 \$'000	Unaudited Year Ended 31.12.2023 \$'000
Cash flows from operating activities		
Income before taxation	-2,746	373
Adjustments for non-cash items	2,694	1,074
Operating profit before working capital changes	-53	1,447
Net working capital changes	472	3,099
Net cash (used in) from operating activities	420	4,546
Net cash used in investing activities	-2,254	-1,517
Net cash used in financing activities	-121	-124
(Decrease) increase in cash	-1,955	2,906
Cash - beginning of period	6,180	3,274
Cash - end of period	4,224	6,180