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STAKE TECHNOLOGY LTD  
Form 10-K/A  
April 11, 2003

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-K/A  
Amendment No. 1

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2002  
Commission File No. 0-9989

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

STAKE TECHNOLOGY LTD.

(Exact name of registrant as specified in its charter)

CANADA  
(Jurisdiction of Incorporation)

Not Applicable  
(I.R.S. Employer Identification No.)

2838 Highway 7  
Norval, Ontario L0P 1K0, Canada  
(Address of Principle Executive Offices)

(905) 455-1990  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Securities registered pursuant to 12(g) of the Act:

Common Shares, no Par value  
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-K contained in this form, and no disclosure will be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).

Yes  No

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At March 7, 2003 the registrant had outstanding 42,489,943 common shares, the only class of registrant's common stock outstanding. There were no other classes of stock outstanding and the aggregate market value of voting stock held by non-affiliates at such date was US\$102,730,000. The Company's common shares traded on Nasdaq Small Cap Market tier of The Nasdaq Stock Market under the symbol STKL and on the Toronto Stock Exchange under the symbol SOY.

### Explanatory Note

This Amendment No. 1 to Form 10-K (the "Form 10-K/A") of Stake Technology Ltd. for the fiscal year ended December 31, 2002, is being filed: (1) to submit certifications made by the Chief Executive Officer and Chief Financial Officer in compliance with Section 906 of the Sarbanes-Oxley Act; and (2) to amend the Supplemental Financial Information (Unaudited), the final item contained in the Notes to Consolidated Financial Statements.

Stake Technology Ltd.  
Notes to Consolidated Financial Statements  
(Expressed in thousands of U.S. dollars)

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Supplemental Financial Information (Unaudited)

|  | Quarter ended<br>December 31 |        | Quarter ended<br>September 30 |        |
|--|------------------------------|--------|-------------------------------|--------|
|  | 2002                         | 2001   | 2002                          | 2001   |
| Revenues                                     | 33,437                       | 23,811 | 32,800                        | 22,904 |
| Cost of goods sold                           | 28,000                       | 20,723 | 27,510                        | 20,093 |
|  |                              |        |                               |        |
| Gross profit                                 | 5,437                        | 3,088  | 5,290                         | 2,811  |
| Selling, general and administrative expenses | 4,835                        | 3,732  | 3,240                         | 2,536  |
|  |                              |        |                               |        |
| Earnings (loss) before the following         | 602                          | (644)  | 2,050                         | 275    |
| Interest expense                             | (383)                        | (338)  | (302)                         | (398)  |
| Interest and other income (expense)          | (20)                         | (4)    | 30                            | 102    |
| Foreign exchange gain (loss)                 | 36                           | 19     | (322)                         | 347    |
|  |                              |        |                               |        |
|  | (367)                        | (323)  | (594)                         | 51     |
|  |                              |        |                               |        |
| Earnings (loss) before income taxes          | 235                          | (967)  | 1,456                         | 326    |
| Provision for (recovery of) income taxes     | (277)                        | 283    | (71)                          | 170    |
|  |                              |        |                               |        |
| Net earnings (loss) for the year             | 512                          | (684)  | 1,527                         | 156    |
|  |                              |        |                               |        |
| Net earnings (loss) per share for the year   |                              |        |                               |        |
| Basic  | 0.01                         | (0.02) | 0.04                          | 0.00   |
|  |                              |        |                               |        |
| Diluted                                      | 0.01                         | (0.02) | 0.04                          | 0.00   |

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|  | Quarter ended<br>June 30 |        | Quarter ended<br>March 31 |        |
|--|--------------------------|--------|---------------------------|--------|
|  | 2002                     | 2001   | 2002                      | 2001   |
| Revenues                                     | 31,378                   | 23,988 | 23,283                    | 19,119 |
| Cost of goods sold                           | 25,942                   | 20,180 | 19,979                    | 16,454 |
| Gross profit                                 | 5,436                    | 3,808  | 3,304                     | 2,665  |
| Selling, general and administrative expenses | 3,223                    | 2,494  | 2,983                     | 2,380  |
| Earnings before the following                | 2,213                    | 1,314  | 321                       | 285    |
| Interest expense                             | (306)                    | (519)  | (422)                     | (489)  |
| Interest and other income                    | 97                       | 143    | 111                       | 87     |
| Foreign exchange gain (loss)                 | 466                      | (41)   | (4)                       | 27     |
|  | 257                      | (417)  | (315)                     | (375)  |
| Earnings before income taxes                 | 2,470                    | 897    | 6                         | (90)   |
| Provision for income taxes                   | 766                      | 372    | (17)                      | 112    |
| Net earnings for the year                    | 1,704                    | 525    | 23                        | 22     |
| Net earnings per share for the year          |                          |        |                           |        |
| Basic  | 0.04                     | 0.02   | 0.00                      | 0.00   |
| Diluted                                      | 0.04                     | 0.02   | 0.00                      | 0.00   |

Item 15. Exhibits, Financial Statements and Reports on Form 8-K

STAKE TECHNOLOGY LTD.

(a) Documents filed as part of the Report on Form 10-K.

Form 10-K

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| 1. Consolidated Financial Statements   | F-1 |
| Independent Auditors' Report   | F-2 |
| Consolidated Balance Sheets as at<br>December 31, 2002 and 2001  | F-3 |
| Consolidated Statements of Retained Earnings -<br>For the Years ended December 31, 2002, 2001 and 2000 | F-4 |
| Consolidated Statements of Earnings -<br>For the Years ended December 31, 2002, 2001 and 2000          | F-5 |
| Consolidated Statements of Cash Flows -  |     |

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For the Years ended December 31, 2002, 2001 and 2000

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Notes to Consolidated Financial Statements -

For the Years ended December 31, 2002 and 2001

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### 3. Exhibits

- 2.1 - Agreement and Plan of Merger dated as of October 25, 2002 among Opta Food Ingredients, Inc., Stake Technology Ltd. and Stake Acquisition Corp. (A)
- 3.1 - Amalgamation of Stake Technology Ltd and 3754481 Canada Ltd. (formerly George F. Pettinos (Canada) Limited) (B)
- 3.3 - Bylaw No. 14 approved by shareholders - June 17, 1997 (C)
- 10.1(a) - 1993 Employee/Director Stock Option Plan dated May 19, 1993 (D)
- 10.1(b) - 1996 Employee/Director Stock Option Plan dated September 27, 1996 (E)
- 10.1(c) - 1998 Stock Option Plan dated December 12, 1997 (F)
- 10.1(d) - 1999 Stock Option Plan dated February 18, 1999 (G)
- 10.1(e) - 2001 Stock Option Plan dated March 13, 2001 (H)
- 10.1(f) - 2002 Stock Option Plan dated March 26, 2002 (I)
- 10.3(a) - Credit Agreement with Bank of Montreal dated February 28, 2002 (H)
- 10.3(b) - Facility B Loan Authorization Agreement with Harris Trust and Savings Bank (H)
- 10.3(c) - Credit Agreement dated as of November 25, 2002 among Stake Acquisition Corp., certain Lenders and Harris Trust and Savings Bank, as Administrative Agent (I)
- 10.3(d) - Debenture Purchase Agreement dated as of December 4, 2002 between Stake Technology Ltd. and Claridge Israel LLC (I)

### Exhibits (continued)

- 10.3(e) - Amended and Restated Credit Agreement dated as of February 21, 2003 among Stake Technology Ltd. (the "Company"), certain affiliates of the Company, Bank of Montreal and Harris Trust and Savings Bank. (I)
- 21 - List of subsidiaries (I)
- 24 - Powers of Attorney (I)
- 99.1 - Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (J)
- 99.2 - Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (J)

(A) Previously filed as an Exhibit to Company's Form 8K filed November

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6, 2002.

- (B) Previously filed as an Exhibit to Company's annual report on Form 10-KSB for the year ended December 31, 2000 and incorporated herein by reference.
- (C) Previously filed as an Exhibit to Company's annual report on Form 10-KSB for the year ended December 31, 1997 and incorporated herein by reference.
- (D) Previously filed as an Exhibit to Company's annual report on Form 10-KSB for the year ended December 31, 1995 and incorporated herein by reference.
- (E) Previously filed as an Exhibit to Company's annual report on Form 10-KSB for the year ended December 31, 1996 and incorporated herein by reference.
- (F) Previously filed as an Exhibit to Company's annual report on Form 10-KSB for the year ended December 31, 1998 and incorporated herein by reference.
- (G) Previously filed as an Exhibit to Company's annual report on Form 10-KSB for the year ended December 31, 1999 and incorporated herein by reference.
- (H) Previously filed as an Exhibit to Company's annual report on Form 10-K for the year ended December 31, 2001 and incorporated herein by reference.
- (I) Previously filed as an Exhibit to Company's annual report on Form 10-K for the year ended December 31, 2002 and incorporated herein by reference.
- (J) Filed herewith

4. Filings of Form 8-K in the last Quarter of 2002

Form 8-K filed November 6, 2002 relating to the Agreement and Plan of Merger dated as of October 25, 2002 among Opta Food Ingredients, Inc., Stake Technology Ltd. and Stake Acquisition Corp.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1984, the registrant has duly caused this amendment to report to be signed on its behalf by the undersigned. Thereunto duly authorized.

STAKE TECHNOLOGY LTD.

Steven R. Bromley  
Executive Vice President and  
Chief Financial Officer

/s/ Steven R. Bromley

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Date: April 10, 2003

Pursuant to the requirements of the Securities Exchange Act of 1934, the following persons on behalf of the Registrant and in the capacities and on the dates indicated have signed this amendment to report below.

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| Signature   | Title  | Date    |
|---|--|---------|
| /s/ Jeremy N. Kendall<br>-----<br>Jeremy N. Kendall | Chairman, Chief Executive Officer<br>And Director (Principal Executive Officer)                      | April 1 |
| /s/ Steven R. Bromley<br>-----<br>Steven R. Bromley | Executive Vice President and Chief Financial<br>Officer (Principal Financial and Accounting Officer) | April 1 |
| /s/ Cyril A. Ing<br>-----<br>Cyril A. Ing           | Director and Corporate Secretary   | April 1 |
| /s/ Joseph Riz<br>-----<br>Joseph Riz               | Director   | April 1 |
| /s/ Jim Rifenbergh<br>-----<br>Jim Rifenbergh       | Director   | April 1 |
| /s/ Allan Routh<br>-----<br>Allan Routh             | Director   | April 1 |
| /s/ Dennis Anderson<br>-----<br>Dennis Anderson     | Director   | April 1 |
| /s/ Larry Anderson<br>-----<br>Larry Anderson       | Director   | April 1 |
| /s/ Katrina Houde<br>-----<br>Katrina Houde         | Director   | April 1 |
| /s/ Camillo Lisio<br>-----<br>Camillo Lisio         | Director   | April 1 |
| /s/ Stephen Bronfman<br>-----<br>Stephen Bronfman   | Director   | April 1 |
| /s/ Robert Fetherstonhaugh                          |  |         |

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Robert Fetherstonhaugh

Director

April 1

\* By his signature set forth below, Steven R. Bromley, pursuant to a duly executed power of attorney filed with the Securities and Exchange Commission as an exhibit to the report on Form 10-K, has signed this amendment to report on behalf of and as Attorney-In-Fact for this person.

/s/ Steven R. Bromley - Steven R. Bromley -Attorney-in-Fact  
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