
APD LIMITED
Condensed Unaudited Interim Financial Statements

As at March 31, 2015 and
the nine months ended March 31, 2015

APD LIMITED
(Incorporated under the laws of the Commonwealth of The Bahamas)

Condensed Unaudited Interim Statement of Financial Position
As at March 31, 2015 and June 30, 2014
(Amounts expressed in Bahamian dollars)

	March 31, 2015 \$	June 30, 2014 \$ (Audited)
ASSETS		
Current assets		
Cash and cash equivalents	5,323,271	2,258,097
Accounts receivable	1,478,999	1,728,110
VAT Receivable	40,448	
Deposits, prepayments and other assets	770,171	684,722
Spare parts inventory	806,527	515,565
Total current assets	8,419,416	5,186,494
Non-current assets		
Property, plant and equipment	90,013,305	91,221,801
Total assets	98,432,721	96,408,295
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	295,331	696,040
Due to related parties	3,148,667	2,392,398
Retention payable	36,212	151,921
Accrued expenses and other liabilities	1,189,017	1,159,995
Current portion of long term debt	425,532	425,532
Total current liabilities	5,094,759	4,825,886
Non-current liabilities		
Redeemable Preference shares	35,431,947	35,377,943
Long term debt	4,042,553	4,361,702
Deposits held	198,242	175,742
Total non-current liabilities	39,672,742	39,915,387
Total liabilities	44,767,501	44,741,273
Equity		
Share capital	49,969	49,969
Share premium	49,192,308	49,192,308
Retained earnings	4,422,943	2,424,745
Total equity	53,665,220	51,667,022
Total liabilities and equity	98,432,721	96,408,295

APD LIMITED**Condensed Unaudited Interim Statement of Comprehensive Income
For the nine months ended March 31, 2015 and 2014
(Amounts expressed in Bahamian dollars)**

	2015	2014
	\$	\$
Revenue		
Landing fees	9,112,855	7,015,607
Terminal handling fees	3,479,313	3,346,286
Stevedoring fees	2,456,938	2,531,851
Storage fees	2,305,924	1,670,188
Gate fees	1,715,032	1,795,103
Security	1,460,361	1,433,823
Subleases	877,689	585,082
Hazmat fees	489,700	490,850
Reefer line	307,404	253,300
Dockage	203,868	171,177
Line handling fees	65,450	57,150
Other income	24,489	6,000
Total revenue	<u>22,499,023</u>	<u>19,356,417</u>
Expenses		
Terminal handling costs	3,686,494	3,248,794
Staff costs	3,579,458	3,405,208
Government lease	2,133,800	1,991,081
Government fees and taxes	1,022,769	1,013,563
Utilities	840,022	713,089
Repairs and maintenance	652,058	532,033
Insurance	381,804	317,055
Legal and other professional fees	291,520	496,678
Other operating expenses	249,092	228,525
Security	227,931	214,641
Company meetings and events	118,624	94,146
Office supplies, postage and delivery	105,142	104,941
(Gain) / loss on disposal of assets	(21,920)	175,249
Total expenses	<u>13,266,794</u>	<u>12,535,003</u>
Earnings before interest, Depreciation and amortization	<u>9,232,229</u>	<u>6,821,414</u>

APD LIMITED**Condensed Unaudited Interim Statement of Comprehensive Income (Continued)
For the nine months ended March 31, 2015 and 2014
(Amounts expressed in Bahamian dollars)**

	2015	2014
	\$	\$
Depreciation and amortization		
Depreciation	2,421,509	2,096,404
Amortization of preference share issue cost	54,004	-
	<u>2,475,513</u>	<u>2,096,404</u>
Total depreciation and amortization		
	<u>2,475,513</u>	<u>2,096,404</u>
Earnings before interest	<u>6,756,716</u>	<u>4,725,010</u>
Interest (finance costs)		
Interest on preference shares	(1,485,000)	(1,461,719)
Interest expense	(175,721)	(443,595)
Interest income	290	766
	<u>(1,660,431)</u>	<u>(1,904,548)</u>
Total finance costs, net		
	<u>(1,660,431)</u>	<u>(1,904,548)</u>
Total earnings for the period attributable to the equity holders	<u>5,096,285</u>	<u>2,820,462</u>
Total comprehensive income for the period	<u>5,096,285</u>	<u>2,820,462</u>
Basic and diluted earnings per share	<u>1.02</u>	<u>0.56</u>

APD LIMITED**Condensed Unaudited Interim Statement of Changes in Equity
For the nine months ended March 31, 2015 and 2014
(Amounts expressed in Bahamian dollars)**

	<u>Share capital \$</u>	<u>Share premium \$</u>	<u>Retained earning \$</u>	<u>Total \$</u>
Balances at July 1, 2013	49,969	49,192,308	108,106	49,350,383
Total comprehensive income for the period	-	-	2,820,462	2,820,462
Dividend paid for the period			(1,299,198)	(1,299,198)
Balances at March 31, 2014	49,969	49,192,308	1,629,370	50,871,647
Balance at July 1, 2014	49,969	49,192,308	2,424,745	51,667,022
Total comprehensive income for the period	-	-	5,096,285	5,096,285
Dividend paid for the period			(3,098,087)	(3,098,087)
Balances at March 31, 2015	49,969	49,192,308	4,422,943	53,665,220

APD LIMITED**Condensed Unaudited Interim Statement of Cash Flows
For the nine months ended March 31, 2015 and 2014
(Amounts expressed in Bahamian dollars)**

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Total comprehensive income for the period		5,096,285	2,820,462
Adjustments for:			
Depreciation		2,421,509	2,096,404
Amortization of preference shares issue cost		54,004	-
(Gain) / loss on disposal of assets		(21,920)	175,249
Interest income		(290)	(766)
Interest on preference shares		1,485,000	1,461,719
Interest expense		175,721	443,595
		<u>9,210,309</u>	<u>6,996,663</u>
Operating profit before changes in working capital		9,210,309	6,996,663
Decrease (Increase) in accounts receivable		249,111	(410,587)
(Increase) decrease in deposits, prepayments and other assets		(85,449)	17,692
Increase in spare parts inventory		(290,962)	(404,526)
Increase in VAT receivable		(40,448)	
Decrease in deferred borrowing cost		-	329,485
Increase in current portion of long term debt		-	425,532
(Decrease) in accounts payable		(400,709)	(919,085)
Increase in due to related parties		756,269	451,436
Decrease in retention payable		(115,709)	(455,228)
Increase (decrease) in accrued expenses and other liabilities		29,022	(295,269)
Increase in deposits held		22,500	54,600
		<u>9,333,934</u>	<u>5,790,713</u>
Cash provided by operating activities		9,333,934	5,790,713
Cash flows from investing activities			
Construction / Investment in Port Facilities and Operation		(985,272)	(3,090,875)
Acquisition of property and equipment		(244,651)	(3,946,570)
Proceeds from sale of property and equipment		38,830	1,440,541
		<u>(1,191,093)</u>	<u>(5,596,904)</u>
Net cash used in investing activities		(1,191,093)	(5,596,904)
Cash flows from financing activities			
Net proceeds from preference share offering		-	35,377,943
Bridge loan principal (repayment)		-	(37,208,634)
Long term loan principal (repayment) drawdown		(319,149)	4,390,585
Dividend paid for the period		(3,098,087)	(1,299,198)
Interest on preference shares		(1,485,000)	(1,461,719)
Interest income received		290	766
Interest expense paid		(175,721)	(443,595)
		<u>(5,077,667)</u>	<u>(643,852)</u>
Net cash used by financing activities		(5,077,667)	(643,852)
Increase in cash and cash equivalents		3,065,174	(450,043)
Cash and cash equivalents, beginning of year		2,258,097	1,947,427
Cash and cash equivalents, end of period		5,323,271	1,497,384

APD Limited

Notes to the Condensed Unaudited Interim Financial Statements March 31, 2015

1. General information

APD Limited (the Company) was incorporated on February 24, 2009, under the Companies Act, 1992 of the Commonwealth of The Bahamas (The Bahamas). The Company is 40% owned by The Treasurer of The Bahamas, 40% owned by Arawak Cay Port Development Holdings Limited (ACPDHL) and 20% owned by the general public, hereinafter collectively referred to as the Shareholders. ACPDHL is owned by a consortium of private companies operating in The Bahamas.

The Company is a public company, which was listed on the Bahamas International Securities Exchange effective April 11, 2012. The Company's registered office is located at Ocean Centre, Montagu Foreshore, East Bay Street, New Providence, The Bahamas.

On May 10, 2010, the Company and the Government of The Bahamas (the Government) entered into a Memorandum of Understanding (MOU), whereby the Government initiated the relocation of the freight, cargo and port handling activities from downtown Bay Street on the island of New Providence to Arawak Cay, New Providence, and the Company agreed to design, develop, construct, manage, operate and maintain a new commercial port at Arawak Cay to be known as Nassau Container Port (the Port) and an inland terminal on Gladstone Road, to be known as Gladstone Freight Terminal (the Depot).

In accordance with the MOU, 20% of the Company's ordinary shares were offered for sale to the general public through an Initial Public Offering (IPO) held in February 2012. At the conclusion of the IPO, the Government and ACPDHL each owned 40% and the general public owned 20% of the ordinary share capital of the Company.

The Port and Depot facilities were developed on 56.55 acres of land on Arawak Cay, New Providence (the Port Land) and 15 acres of land at Gladstone Road, New Providence (the Depot Land). On June 21, 2011, the Minister responsible for the Lands and Survey, acting on behalf of the Government leased the Port Land and Depot Land and licensed 27.88 acres of seabed for use of the Company for 45 years which became effective May 1, 2012 and August 13, 2012, respectively, when the Port and Depot facilities were substantially completed.

The Company commenced operations on the date of substantial completion of the Port facility on May 1, 2012. Operations of the Port include a break bulk, a bulk and a container terminal that has 1,167 linear feet of berthing. The container terminal will have the capability of handling at least 75,000 Twenty-foot Equivalent Units (TEUs) annually. The Depot is comprised of 100,000 square feet and 10,000 square feet of warehouse and administrative office space respectively, and serves as a deconsolidation and distribution centre.

These condensed interim financial statements have not been audited.

2. Basis of preparation

These condensed interim financial statements for the nine months ended March 31, 2015 have been prepared in accordance with International Accounting Standard (IAS) 34, 'Interim financial reporting'. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended June 30, 2014, which have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

3. Accounting policies

The accounting policies applied, methods of computation and presentation are consistent with those of the annual financial statements for the year ended June 30, 2014.

There are no new IFRSs or interpretations of the International Financial Reporting Interpretations Committee (IFRICs) that are effective for the first time that would be expected to have a material impact on the Company.

4. Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2014.

5. Financial risk management

5.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

These condensed financial statements do not include all the financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at June 30, 2014. There have been no changes in the Company's risk management policies since June 30, 2014.

5.2 Liquidity risk

Compared to year end there was no material change in the contractual undiscounted cash flows for the financial liabilities.

6. Seasonality of operations

Due to the nature of the Company's operations, seasonal trends are not applicable.

7. Dividends paid

a) Common shares

On December 12, 2014, the Company declared and paid a dividend of \$0.61 per share to all shareholder of record at the close of business November 27th, 2014. Total dividend paid was \$3,098,087 (2013 - \$1,299,198).

b) Preference shares

The Company paid its semi-annual dividend on Preference shares on the last business day in December 2014. Total dividend on Preference shares was \$990,000 (2013 - \$973,500).