



FOCOL HOLDINGS LTD.

FOCOL HOLDINGS LIMITED CHAIRMAN'S REPORT

For The Quarter Ended April 30, 2018

The Board of Directors of FOCOL Holdings Limited (FOCOL) are pleased to present the unaudited results for the third quarter ended April 30, 2018. Net income for the nine months ended April 30, 2018 was \$17 million compared to \$19 million for the same period in the previous year.

During the third quarter of fiscal 2018, there was a significant increase in the prices of petroleum products. Despite maintaining strong sales volumes, competitive pressures related to higher prices impacted our earnings in the third quarter.

Management is focusing on improving internal efficiencies to mitigate the impact of higher petroleum prices on our financial performance.

The Board of Directors wishes to thank our loyal customers, dedicated staff and shareholders for their continued confidence in FOCOL Holdings Limited.

Sir Franklyn Wilson, KCMG
Chairman.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED) (B \$000)

	April 30, 2018	July 31, 2017
Assets	\$ <u>241,256</u>	\$ <u>188,232</u>
Liabilities	68,590	22,382
Shareholders' equity	<u>172,666</u>	<u>165,850</u>
Total Liabilities & shareholders' equity	\$ <u>241,256</u>	\$ <u>188,232</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) (B \$000)

	Nine months ended April 30, 2018	Nine months ended April 30, 2017
Sale & revenues	\$ 226,285	\$ 208,882
Cost of sales	<u>(169,477)</u>	<u>(150,144)</u>
Gross profit	56,808	58,738
Equity income	1,231	1,158
Other income	12	4
Marketing, administrative & general	(34,097)	(34,659)
Depreciation & amortization	(4,868)	(3,887)
Finance costs	(240)	(304)
Realized/unrealized gain on investments	<u>92</u>	<u>25</u>
Net and comprehensive income	18,938	21,075
Preference share dividends	<u>(1,950)</u>	<u>(2,075)</u>
Net income available to common shareholders	\$ <u>16,988</u>	\$ <u>19,000</u>
Earnings per share	\$ 0.17	\$ 0.19
Dividends per share	\$ 0.10	\$ 0.09

Copies of a full set of the unaudited financial statements can be obtained from Barbara Pinder (bpinder@sunoilbahamas.com), FOCOL Holdings Limited, P.O. Box F-42458, Freeport, Grand Bahama, Bahamas.

FOCOL Holdings Ltd.