



# FOCOL HOLDINGS LTD.

## FOCOL HOLDINGS LIMITED CHAIRMAN'S REPORT

For the Period Ended September 30, 2020 (Audited)

At our 2019 Annual General Meeting, FOCOL Holdings Limited (FOCOL) obtained shareholder approval to change its year end from July 31 to September 30 effective for year 2020. Year 2020 reflects our financial results for the fourteen (14) month period August 1, 2019 to September 30, 2020.

The Board of Directors of FOCOL is pleased to present the audited results for the period ended September 30, 2020. Net income for the period ended September 30, 2020 was \$22.99 million compared to \$27.97 million for the twelve (12) month period in the previous year.

The main factors that contributed to lower net income for fiscal 2020;

- I. the adverse impact of the Novel Coronavirus (COVID-19) on the Bahamian economy and
- II. implementation of International Financial Reporting Standard (IFRS) 16 Leases, related to our Charter Agreements on five purpose-built ocean-going ships used to transport petroleum products from the U.S. Gulf and throughout The Bahamas and Turks & Caicos Islands.

Because of the COVID-19 pandemic, the economic outlook for fiscal 2021 appears to be very challenging. Management is actively monitoring the financial performance of the Company and will make the necessary adjustments to ensure the optimal financial performance of the Company.

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 (AUDITED) (Expressed in Bahamian dollars - \$000)

	September 30, 2020 (14 Months)	July 31, 2019 (12 Months)
Assets	\$ 246,430	\$ 211,614
Liabilities	56,110	26,235
Shareholders' equity	<u>190,320</u>	<u>185,379</u>
Total Liabilities & Shareholders' Equity	<u>\$ 246,430</u>	<u>\$ 211,614</u>

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (AUDITED) (Expressed in Bahamian dollars - \$000)

	September 30, 2020 (14 Months)	July 31, 2019 (12 Months)
Sales & revenues	\$ 298,218	\$ 324,826
Cost of sales	<u>(222,296)</u>	<u>(249,276)</u>
Gross profit	75,922	75,550
Equity income	3,106	1,763
Insurance proceeds & other income	4,290	18
Marketing, administrative & general	(44,975)	(42,940)
Depreciation & amortization	(13,385)	(6,298)
Finance costs	<u>(1,969)</u>	<u>(128)</u>
<b>NET AND COMPREHENSIVE INCOME</b>	<b>22,989</b>	<b>27,965</b>
<b>Earnings per share</b>	<b>\$ 0.20</b>	<b>\$ 0.25</b>

Copies of a full set of the audited financial statements can be obtained via email request to [bpinder@sunoilbahamas.com](mailto:bpinder@sunoilbahamas.com).

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