

**FOCOL HOLDINGS LIMITED**

**Consolidated Interim Financial Statements  
For The Six Months Ended March 31, 2023 (Unaudited)**

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF MARCH 31, 2023 (UNAUDITED)**

*(Expressed in Bahamian dollars)*

	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>30-Sep-22</b> <b>Audited</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash	11,608,323	24,669,235	30,900,968
Term deposits	4,556,898	4,541,323	4,556,898
Accounts receivable, net	61,259,135	49,499,711	42,749,693
Inventories	26,847,588	27,935,167	28,708,117
Prepaid expenses and sundry assets	5,452,301	3,677,748	2,804,129
Total current assets	<u>109,724,245</u>	<u>110,323,184</u>	<u>109,719,805</u>
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment, net	163,081,754	155,041,298	160,368,519
Right of use assets, net	21,472,971	21,499,501	21,536,310
Goodwill and intangible assets	12,173,926	12,214,410	12,203,004
Investment in associate	20,757,382	19,860,183	19,887,382
Due from associate	103,279	102,789	82,191
Total non-current assets	<u>217,589,312</u>	<u>208,718,181</u>	<u>214,077,406</u>
<b>TOTAL ASSETS</b>	<u><u>327,313,557</u></u>	<u><u>319,041,365</u></u>	<u><u>323,797,211</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Bank overdraft	7,307,392	7,069,043	6,157,152
Accounts payable and accrued liabilities	51,639,800	51,024,065	52,206,556
Dividends payable	2,004,342	2,006,432	2,004,342
Current portion of lease liabilities	5,447,383	3,741,828	3,534,963
Current portion of long-term debt	2,132,451	3,565,237	2,215,696
Total current liabilities	<u>68,531,368</u>	<u>67,406,605</u>	<u>66,118,709</u>
<b>NON-CURRENT LIABILITIES:</b>			
Due to associate	3,408,197	3,513,746	1,665,123
Lease liabilities	16,905,689	19,276,338	18,582,968
Long term debt	26,728,494	27,536,524	27,780,758
Preference shares	11,841,049	11,824,696	11,832,752
Total non-current liabilities	<u>58,883,429</u>	<u>62,151,304</u>	<u>59,861,601</u>
<b>SHAREHOLDERS' EQUITY:</b>			
Share capital	83,563	83,647	83,563
Preference shares	500,000	500,000	500,000
Contributed capital	49,500,000	49,500,000	49,500,000
Retained earnings	149,815,197	139,399,809	147,733,338
Total equity	<u>199,898,760</u>	<u>189,483,456</u>	<u>197,816,901</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>327,313,557</u></u>	<u><u>319,041,365</u></u>	<u><u>323,797,211</u></u>

**FOCOL HOLDINGS LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
SIX MONTHS ENDED MARCH 31, 2023 (UNAUDITED)***(Expressed in Bahamian dollars)*

	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>30-Sep-22 Audited</b>
REVENUES	211,644,064	169,498,150	423,808,309
COST OF SALES	<u>(167,982,778)</u>	<u>(134,307,423)</u>	<u>(343,702,811)</u>
Gross profit	43,661,286	35,190,727	80,105,498
Equity income	870,000	1,734,515	1,761,713
Other income	3,289	2,985	6,160
Marketing, administrative and general expenses	(24,714,899)	(21,641,949)	(44,758,098)
Depreciation and amortization expense	(6,461,277)	(6,116,609)	(12,002,398)
Finance costs	(1,387,500)	(1,457,655)	(2,790,871)
Dividends on preferred shares	<u>(362,959)</u>	<u>(602,137)</u>	<u>(959,178)</u>
NET PROFIT AND COMPREHENSIVE INCOME	11,607,940	7,109,877	21,362,826
Earnings per share	0.10	0.06	0.18

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**SIX MONTHS ENDED MARCH 31, 2023 (UNAUDITED)**

*(Expressed in Bahamian dollars)*

	Share Capital	Preference Shares	Contributed Capital	Retained Earnings	Total
<b>Balance at September 30, 2021</b>	83,647	500,000	49,500,000	141,816,175	191,899,822
Total comprehensive income	-	-	-	7,109,877	7,109,877
Common share dividends	-	-	-	(8,026,243)	(8,026,243)
Preference share dividends	-	-	-	(1,500,000)	(1,500,000)
<b>Balance at March 31, 2022</b>	<b>83,647</b>	<b>500,000</b>	<b>49,500,000</b>	<b>139,399,809</b>	<b>189,483,456</b>
<b>Balance at September 30, 2022</b>	83,563	500,000	49,500,000	147,733,338	197,816,901
Total comprehensive income	-	-	-	11,607,940	11,607,940
Common share dividends	-	-	-	(8,026,081)	(8,026,081)
Preference share dividends	-	-	-	(1,500,000)	(1,500,000)
<b>Balance at March 31, 2023</b>	<b>83,563</b>	<b>500,000</b>	<b>49,500,000</b>	<b>149,815,197</b>	<b>199,898,760</b>

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**SIX MONTHS ENDED MARCH 31, 2023 (UNAUDITED)**

*(Expressed in Bahamian dollars)*

	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>30-Sep-22</b> <b>Audited</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income	11,607,940	7,109,877	21,362,826
Adjustments for:			
Depreciation and amortization expense	6,461,277	6,116,609	12,002,398
Equity income from associate	(870,000)	(1,734,515)	(1,761,713)
Loss on disposal of property, plant and equipment, net	-	-	48,202
Income from operations before working capital changes	17,199,217	11,491,971	31,651,713
(Increase) Decrease in accounts receivable, net	(18,509,442)	1,369,424	8,119,442
(Increase) Decrease in prepaid expenses and sundry assets	(2,648,172)	(232,586)	641,033
(Increase) Decrease in inventories	1,860,529	(5,029,345)	(5,802,295)
Increase (Decrease) in accounts payable and accrued liabilities	(566,756)	26,616,472	27,796,872
Net cash (used in) from operating activities	<u>(2,664,624)</u>	<u>34,215,936</u>	<u>62,406,765</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
(Increase) Decrease in term deposits	-	(335,797)	(351,372)
(Increase) Decrease in due from associate	(21,088)	(43,812)	(23,214)
Increase (Decrease) in due to associate	1,743,074	93,515	(1,755,108)
Proceeds from disposal of property, plant and equipment	-	-	7,503
Purchase of property, plant and equipment	(6,572,011)	(9,956,621)	(19,592,528)
Purchase of intangible assets	(33,345)	-	(46,358)
Net cash used in investing activities	<u>(4,883,370)</u>	<u>(10,242,715)</u>	<u>(21,761,077)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Conversion of bank overdraft to long-term debt	-	27,150,000	27,150,000
Repurchase of ordinary shares	-	-	(409,245)
Common share dividends paid	(8,026,081)	(8,026,243)	(12,036,502)
Repayment of lease liabilities	(2,233,301)	(2,515,049)	(5,019,081)
Repayment of long-term debt	(1,135,509)	(713,456)	(1,818,763)
Preference share dividends paid	(1,500,000)	(1,500,000)	(3,000,000)
Net cash (used in) from financing activities	<u>(12,894,891)</u>	<u>14,395,252</u>	<u>4,866,409</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH</b>			
<b>EQUIVALENTS</b>	<u>(20,442,885)</u>	<u>38,368,473</u>	<u>45,512,097</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>24,743,816</u>	<u>(20,768,281)</u>	<u>(20,768,281)</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>4,300,931</u></u>	<u><u>17,600,192</u></u>	<u><u>24,743,816</u></u>
<b>CASH AND CASH EQUIVALENTS IS COMPRISED OF</b>			
<b>THE FOLLOWING:</b>			
Cash and bank balances	11,608,323	24,669,235	30,900,968
Bank overdraft	(7,307,392)	(7,069,043)	(6,157,152)
	<u>4,300,931</u>	<u>17,600,192</u>	<u>24,743,816</u>
<b>SUPPLEMENTAL INFORMATION :</b>			
Interest paid on bank overdraft and loans	814,035	411,064	1,716,575
Interest received	3,289	1,544	6,160
<b>NON- CASH TRANSACTION:</b>			
Transfer of bank overdraft to long-term debt	-	27,150,000	27,150,000
Change in lease liability	2,468,265	-	1,607,480

# **FOCOL HOLDINGS LIMITED**

## **CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS SIX MONTHS ENDED MARCH 31, 2023 (UNAUDITED)**

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### **1. NATURE OF OPERATIONS**

FOCOL Holdings Limited is incorporated under the laws of The Commonwealth of The Bahamas. The consolidated interim financial statements for the six months ended March 31, 2023 comprise of FOCOL Holdings Limited and its subsidiaries (together referred to as “the Group”). The Group operates in the energy sector through its wholly owned subsidiaries as follows:

- Freeport Oil Company Limited;
- Grand Sun Investments Limited;
- Grand Bahama Terminals Limited;
- GAL Terminal Limited;
- Convenience Retailing Limited;
- Sun Services Limited;
- O.R. Services Limited;
- Freeport Oil Holdings Investments Limited and its wholly owned subsidiaries, Sun Oil Limited, Sun Oil Turks and Caicos Limited and Sun Brokerage Co., Ltd. Sun Oil Limited also operates through its 60% voting interest in BTCI Tankers Limited;
- Sun Oil Aviation Limited;
- Sun Marine Limited;
- Boulevard Services Limited;
- Bahamas Utilities Company Limited (formerly Sun Utilities Company Limited);
- Bahamas Utilities Holdings Limited;
- Bahamas Solar & Renewables Company Limited;
- Atlantic International Supply & Trading Limited (“AIST”); and
- Atlantic International Supply & Trading Limited (“AIST-TCI”).

### **2. BASIS OF PREPARATION**

The consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 ‘Interim Financial Reporting’. They do not include all of the information and note disclosures required in the annual financial statements in accordance with International Financial Reporting Standards (IFRS) and should be read in conjunction with the Group’s consolidated financial statements for the year ended September 30, 2022.

### **3. ACCOUNTING POLICIES**

The consolidated interim financial statements have been prepared in accordance with the accounting policies included in the Group’s consolidated financial statements for the year ended September 30, 2022.

#### **4. ESTIMATES AND JUDGEMENTS**

The preparation of consolidated interim financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities, at the date of the consolidated interim financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant judgements, estimates and assumptions applied in these consolidated interim financial statements were the same as those applied in the Group's consolidated financial statements for the year ended September 30, 2022.

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