

FOCOL HOLDINGS LIMITED

**Consolidated Interim Financial Statements
For The Nine Months Ended June 30, 2024 (Unaudited)**

FOCOL HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2024 (UNAUDITED)**
(Expressed in Bahamian dollars)

	30-Jun-24	30-Jun-23	30-Sep-23 Audited
ASSETS			
CURRENT ASSETS:			
Cash	66,580,239	26,363,961	31,706,910
Term deposits	4,581,744	4,556,898	4,564,775
Accounts receivable, net	59,657,448	65,465,622	60,348,449
Inventories	25,899,875	26,883,644	24,619,451
Prepaid expenses and sundry assets	13,675,232	4,701,472	4,398,535
Total current assets	170,394,538	127,971,597	125,638,120
NON-CURRENT ASSETS:			
Property, plant and equipment, net	258,296,857	193,821,221	198,999,103
Right of use assets, net	15,850,463	20,062,015	17,667,116
Goodwill and intangible assets	12,033,741	12,144,236	12,125,060
Investment in associate	23,827,878	21,192,382	22,732,255
Due from associate	6,779	83,612	-
Total non-current assets	310,015,718	247,303,466	251,523,534
TOTAL ASSETS	480,410,256	375,275,063	377,161,654
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Bank overdraft	-	14,879,868	18,176,408
Accounts payable and accrued liabilities	99,128,499	70,435,421	64,934,296
Dividends payable	3,156,574	3,054,342	2,004,342
Current portion of lease liabilities	4,998,182	5,140,469	4,953,751
Current portion of long-term debt	4,362,336	2,111,955	2,135,803
Total current liabilities	111,645,591	95,622,055	92,204,600
NON-CURRENT LIABILITIES:			
Due to associate	1,800,362	5,169,677	3,424,362
Lease liabilities	9,133,178	15,862,157	12,887,120
Long term debt	41,477,472	26,193,089	25,651,638
Preference shares	71,874,364	27,582,158	27,582,157
Total non-current liabilities	124,285,376	74,807,081	69,545,277
SHAREHOLDERS' EQUITY:			
Share capital	87,732	83,563	83,563
Preference shares	500,000	500,000	500,000
Contributed capital	70,327,782	49,500,000	49,500,000
Retained earnings	173,563,775	154,762,364	165,328,214
Total equity	244,479,289	204,845,927	215,411,777
TOTAL LIABILITIES AND EQUITY	480,410,256	375,275,063	377,161,654

FOCOL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
NINE MONTHS ENDED JUNE 30, 2024 (UNAUDITED)
(Expressed in Bahamian dollars)

	30-Jun-24	30-Jun-23	30-Sep-23 Audited
REVENUES	325,561,190	326,978,938	441,688,145
COST OF SALES	<u>(241,874,236)</u>	<u>(257,902,919)</u>	<u>(339,021,026)</u>
Gross profit	83,686,954	69,076,019	102,667,119
Equity income	1,095,624	1,305,000	2,844,873
Other income	4,501	4,794	6,503
Marketing, administrative and general expenses	(46,365,324)	(37,768,366)	(53,718,606)
Depreciation and amortization expense	(11,967,898)	(9,764,850)	(15,287,331)
Finance costs	(1,763,500)	(2,116,058)	(2,784,535)
Dividends on preferred shares	<u>(2,203,424)</u>	<u>(677,096)</u>	<u>(1,107,095)</u>
NET PROFIT AND COMPREHENSIVE INCOME	22,486,933	20,059,443	32,620,928
Earnings per share	0.20	0.17	0.30

FOCOL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NINE MONTHS ENDED JUNE 30, 2024 (UNAUDITED)

(Expressed in Bahamian dollars)

	Share Capital	Preference Shares	Contributed Capital	Retained Earnings	Total
Balance at September 30, 2022	83,563	500,000	49,500,000	147,733,338	197,816,901
Total comprehensive income	-	-	-	20,059,443	20,059,443
Common share dividends	-	-	-	(10,030,417)	(10,030,417)
Preference share dividends	-	-	-	(3,000,000)	(3,000,000)
Balance at June 30, 2023	83,563	500,000	49,500,000	154,762,364	204,845,927
Balance at September 30, 2023	83,563	500,000	49,500,000	165,328,214	215,411,777
Total comprehensive income	-	-	-	22,486,933	22,486,933
Common shares purchased and cancelled	(7)	-	-	(38,121)	(38,128)
Ordinary share rights offering	4,176	-	20,827,782	-	20,831,958
Common share dividends	-	-	-	(12,263,251)	(12,263,251)
Preference share dividends	-	-	-	(1,950,000)	(1,950,000)
Balance at June 30, 2024	87,732	500,000	70,327,782	173,563,775	244,479,289

FOCOL HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
NINE MONTHS ENDED JUNE 30, 2024 (UNAUDITED)
(Expressed in Bahamian dollars)

	30-Jun-24	30-Jun-23	30-Sep-23 Audited
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	22,486,933	20,059,443	32,620,928
Adjustments for:			
Depreciation and amortization expense	11,967,898	9,764,850	15,287,331
Equity income from associate	(1,095,624)	(1,305,000)	(2,844,873)
Loss on disposal of property, plant and equipment, net	-	-	(3,001)
Income from operations before working capital changes	33,359,207	28,519,293	45,060,385
(Increase) Decrease in accounts receivable, net	691,001	(22,715,929)	(17,598,756)
(Increase) Decrease in prepaid expenses and sundry assets	(9,276,697)	(1,897,343)	(1,594,406)
(Increase) Decrease in inventories	(1,280,424)	1,824,473	4,088,666
Increase (Decrease) in accounts payable and accrued liabilities	34,194,203	18,228,865	12,727,740
Increase (Decrease) in dividends payable	1,152,232	1,050,000	-
Net cash from operating activities	<u>58,839,522</u>	<u>25,009,359</u>	<u>42,683,629</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Increase) Decrease in term deposits	(16,969)	-	(7,877)
(Increase) Decrease in due from associate	(6,779)	(1,421)	82,191
Increase (Decrease) in due to associate	(1,624,000)	3,504,554	1,759,239
Proceeds from disposal of property, plant and equipment	-	-	7,140
Purchase of property, plant and equipment	(69,319,850)	(39,165,861)	(48,165,120)
Purchase of intangible assets	-	(33,345)	(48,367)
Net cash used in investing activities	<u>(70,967,598)</u>	<u>(35,696,073)</u>	<u>(46,372,794)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from long-term debt	20,000,000	-	-
Proceeds from ordinary shares rights offering	20,831,958	-	-
Proceeds from preference share issuance	44,254,375	15,732,562	15,732,562
Repurchase of ordinary shares	(38,128)	-	-
Common share dividends paid	(12,263,251)	(10,030,417)	(12,026,052)
Repayment of lease liabilities	(3,709,508)	(3,583,744)	(6,021,646)
Repayment of long-term debt	(1,947,633)	(1,691,410)	(2,209,013)
Preference share dividends paid	(1,950,000)	(3,000,000)	(3,000,000)
Net cash from (used in) financing activities	<u>65,177,813</u>	<u>(2,573,009)</u>	<u>(7,524,149)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
EQUIVALENTS	53,049,737	(13,259,723)	(11,213,314)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	13,530,502	24,743,816	24,743,816
CASH AND CASH EQUIVALENTS, END OF PERIOD	66,580,239	11,484,093	13,530,502
CASH AND CASH EQUIVALENTS IS COMPRISED OF THE FOLLOWING:			
Cash and bank balances	66,580,239	26,363,961	31,706,910
Bank overdraft	-	(14,879,868)	(18,176,408)
	<u>66,580,239</u>	<u>11,484,093</u>	<u>13,530,502</u>
SUPPLEMENTAL INFORMATION :			
Interest paid on bank overdraft and loans	1,057,129	1,256,433	1,808,763
Interest received	2,865	4,794	6,503
NON- CASH TRANSACTION:			
Change in lease liability	-	2,468,265	1,744,586

FOCOL HOLDINGS LIMITED

CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS NINE MONTHS ENDED JUNE 30, 2024 (UNAUDITED)

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 nine months ended June 30, 2024 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;
- Sun Oil Holdings Limited (formerly 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;
- Bahamas Turbines 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 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, 2023.

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, 2023.

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, 2023.
