

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF OCTOBER 31, 2017**

	31-Oct-17	31-Oct-16	31-Jul-17
<b>ASSETS</b>			
CURRENT ASSETS:			
Cash and cash equivalents	18,955,094	27,016,202	25,906,176
Accounts receivable, net	34,852,113	30,522,762	30,157,336
Inventories	24,818,905	19,110,857	15,801,083
Investments	350,500	330,500	350,500
Prepaid expenses and sundry assets	1,971,692	2,115,211	3,412,583
Total current assets	<u>80,948,304</u>	<u>79,095,532</u>	<u>75,627,678</u>
NON-CURRENT ASSETS:			
Property, plant and equipment, net	89,570,937	86,073,378	88,098,545
Goodwill and intangible assets	13,044,282	13,627,139	13,189,997
Investment in associate	11,775,772	10,141,808	11,300,955
Due from associate	22,370	48,452	14,870
Total non-current assets	<u>114,413,361</u>	<u>109,890,777</u>	<u>112,604,367</u>
<b>TOTAL ASSETS</b>	<u><u>195,361,665</u></u>	<u><u>188,986,309</u></u>	<u><u>188,232,045</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
CURRENT LIABILITIES:			
Bank overdraft	24,104	-	-
Accounts payable and accrued liabilities	19,902,587	26,547,190	15,472,676
Dividends payable	3,050,384	-	2,033,589
Current portion of long-term debt	1,862,762	1,851,371	1,666,668
Total current liabilities	<u>24,839,837</u>	<u>28,398,561</u>	<u>19,172,933</u>
NON-CURRENT LIABILITIES:			
Due to associate	-	-	494,349
Long term debt	2,054,272	4,317,033	2,714,250
Total non-current liabilities	<u>2,054,272</u>	<u>4,317,033</u>	<u>3,208,599</u>
SHAREHOLDERS' EQUITY:			
Share capital	84,733	84,733	84,733
Treasury shares	(283,777)	-	(279,285)
Preference shares	500,000	500,000	500,000
Contributed capital	53,913,353	53,913,353	53,913,353
Retained earnings	114,253,247	101,772,629	111,631,712
Total equity	<u>168,467,556</u>	<u>156,270,715</u>	<u>165,850,513</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><u>195,361,665</u></u>	<u><u>188,986,309</u></u>	<u><u>188,232,045</u></u>

**FOCOL HOLDINGS LIMITED****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED OCTOBER 31, 2017**

	31-Oct-17	31-Oct-16	31-Jul-17
REVENUES	70,558,410	67,998,392	289,615,793
COST OF SALES	<u>(51,741,773)</u>	<u>(47,616,729)</u>	<u>(215,569,498)</u>
Gross profit	18,816,637	20,381,663	74,046,295
Equity income	474,817	362,499	1,543,020
Other income	2,693	1,394	3,380,717
Marketing, administrative and general expenses	(11,486,465)	(11,356,509)	(41,337,173)
Depreciation and amortization	(1,633,064)	(1,290,691)	(6,961,973)
Finance costs	(52,717)	(93,730)	(417,133)
Unrealized gain on investments	-	10,500	30,500
NET AND COMPREHENSIVE INCOME	<u>6,121,901</u>	<u>8,015,126</u>	<u>30,284,253</u>
Earnings per share	0.06	0.07	0.27

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
THREE MONTHS ENDED OCTOBER 31, 2017**

	31-Oct-17	31-Oct-16	31-Jul-17
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income	6,121,901	8,015,126	30,284,253
Adjustments for:			
Depreciation and amortization	1,633,064	1,290,691	6,961,973
Equity income from associate	(474,817)	(362,499)	(1,543,020)
Loss on disposal of property, plant and equipment, net	-	-	230,322
Unrealized gain on investments	-	(10,500)	(30,500)
Income from operations before working capital changes	<u>7,280,148</u>	<u>8,932,818</u>	<u>35,903,028</u>
(Increase) Decrease in accounts receivable, net	(4,694,758)	(8,908,301)	(9,142,893)
(Increase) Decrease in prepaid expenses and sundry assets	1,440,891	1,244,771	(52,601)
(Increase) Decrease in inventories	(9,017,822)	(7,507,747)	(4,197,973)
Increase (Decrease) in accounts payable and accrued liabilities	<u>4,429,911</u>	<u>10,571,013</u>	<u>(503,501)</u>
Net cash (used in) from operating activities	<u>(561,630)</u>	<u>4,332,554</u>	<u>22,006,060</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Increase (Decrease) in due from associate	(7,500)	(20,903)	12,679
Increase (Decrease) in due to associate	(494,349)	(252,480)	241,869
Dividend from associate	-	2,700,000	2,700,000
Purchase of property, plant and equipment	<u>(2,959,742)</u>	<u>(4,206,244)</u>	<u>(11,695,874)</u>
Net cash used in investing activities	<u>(3,461,591)</u>	<u>(1,779,627)</u>	<u>(8,741,326)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Acquisition of treasury shares	(4,492)	-	(279,285)
Common share dividends paid	(2,033,589)	(4,406,110)	(11,523,672)
Repayment of long-term debt	(463,884)	(3,072,251)	(4,859,737)
Preference share dividends paid	<u>(450,000)</u>	<u>(487,500)</u>	<u>(3,125,000)</u>
Net cash used in financing activities	<u>(2,951,965)</u>	<u>(7,965,861)</u>	<u>(19,787,694)</u>
<b>NET DECREASE IN CASH</b>	<u>(6,975,186)</u>	<u>(5,412,934)</u>	<u>(6,522,960)</u>
<b>CASH, BEGINNING OF YEAR</b>	<u>25,906,176</u>	<u>32,429,136</u>	<u>32,429,136</u>
<b>CASH, END OF YEAR</b>	<u>18,930,990</u>	<u>27,016,202</u>	<u>25,906,176</u>
<b>CASH AND CASH EQUIVALENTS IS COMPRISED OF THE FOLLOWING:</b>			
Cash and bank balances	18,955,094	27,016,202	25,906,176
Bank overdraft	<u>(24,104)</u>	<u>-</u>	<u>-</u>
	<u>18,930,990</u>	<u>27,016,202</u>	<u>25,906,176</u>
<b>SUPPLEMENTAL INFORMATION :</b>			
Interest paid on bank overdraft and loans	<u>52,717</u>	<u>93,730</u>	<u>417,133</u>
Interest received	<u>1,021</u>	<u>1,394</u>	<u>11,967</u>
Dividends received	<u>1,672</u>	<u>-</u>	<u>-</u>