

APD LIMITED
Unaudited Interim Financial Statements

**As at September 30, 2022 and
the three months ended September 30, 2022**

APD LIMITED**(Incorporated under the laws of the Commonwealth of The Bahamas)****Unaudited Interim Statement of Financial Position****As of September 30, 2022 and June 30, 2022****(Amounts expressed in Bahamian dollars)**

	September 30, 2022	June 30, 2022
	\$	(Audited) \$
ASSETS		
Current assets		
Cash and cash equivalents	23,476,364	19,817,081
Accounts receivable	4,694,031	3,059,560
Tax receivable	842,481	752,398
Deposits, prepayments and other assets	506,045	1,024,176
Spare parts inventory	821,822	787,341
Total current assets	<u>30,340,743</u>	<u>25,440,556</u>
Non-current assets		
Property, plant and equipment	77,685,687	78,451,796
Right-of-use asset	44,882,544	45,023,241
Financial asset at fair value through profit or loss	425,000	425,000
Total non-current assets	<u>122,993,231</u>	<u>123,900,037</u>
Total assets	<u>153,333,974</u>	<u>149,340,593</u>
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	400,030	468,787
Due to related parties	1,397,150	1,243,372
Accrued expenses and other liabilities	1,751,761	1,033,746
Current portion of redeemable preference shares	2,571,333	-
Current portion of lease liability	48,284	184,194
Current portion of long term debt	2,057,067	2,057,067
Total current liabilities	<u>6,105,152</u>	<u>4,802,972</u>
Non-current liabilities		
Long term debt	24,170,533	26,741,867
Lease liability	46,814,935	46,727,308
Deposits Held	274,663	274,663
Total non-current liabilities	<u>71,260,131</u>	<u>73,928,031</u>
Total liabilities	79,485,756	78,731,002
Equity		
Share capital	49,969	49,969
Share premium	49,192,308	49,192,308
Retained earnings	24,605,941	21,367,312
Total equity	<u>73,848,218</u>	<u>70,609,589</u>
Total liabilities and equity	<u>153,333,974</u>	<u>149,340,593</u>

APD LIMITED**Unaudited Interim Statement of Comprehensive Income
For the three months ended September 30, 2022 and 2021
(Amounts expressed in Bahamian dollars)**

	2022	2021
	\$	\$
Revenue		
Landing fees	3,856,365	3,356,864
Terminal handling fees	1,246,859	1,262,175
Stevedoring fees	919,853	915,648
Gate fees	585,334	590,400
Storage fees	1,131,923	274,185
Security	724,197	656,813
Subleases	342,226	363,023
Hazmat fees	72,700	89,850
Reefer line	347,150	165,300
Dockage	71,784	83,192
Line handling fees	21,200	21,950
Other income	14,850	19,911
	<u>9,334,441</u>	<u>7,799,311</u>
Total revenue	9,334,441	7,799,311
Expenses		
Salaries, employee benefits and training	1,158,397	1,178,405
Terminal handling costs	1,445,348	989,260
Government lease	230,829	159,426
Government fees & Taxes	365,132	358,707
Utilities	301,148	175,170
Insurance	89,317	83,979
Legal and other professional fees	161,521	107,565
Repairs and maintenance	231,943	167,548
Other operating expenses	126,893	65,700
Security	93,672	94,649
Company meetings and events	9,684	11,998
Disposal of Property and Equipment	140,646	115
Office supplies, postage and delivery	37,541	22,978
	<u>4,392,071</u>	<u>3,415,500</u>
Total expenses	4,392,071	3,415,500
Earnings before interest, depreciation and amortisation	<u>4,942,370</u>	<u>4,383,811</u>

APD LIMITED**Unaudited Interim Statement of Comprehensive Income (Continued)
For the three months ended September 30, 2022 and 2021
(Amounts expressed in Bahamian dollars)**

	2022	2021
	\$	\$
Depreciation and amortisation		
Depreciation	824,122	880,173
Depreciation- Right-Of-Use-Asset	140,698	140,698
Amortisation of preference share issue cost	-	373,660
	<u>964,819</u>	<u>1,394,531</u>
Total depreciation and amortisation		
	<u>964,819</u>	<u>1,394,531</u>
Earnings before interest	<u>3,979,570</u>	<u>2,989,280</u>
Interest (finance costs)		
Interest on preference shares	-	(320,563)
Interest on loan	(527,592)	(529,827)
Interest on lease	(225,026)	(62,896)
Interest income	13,697	1,572
	<u>(738,921)</u>	<u>(911,714)</u>
Total finance costs, net		
	<u>(738,921)</u>	<u>(911,714)</u>
Total earnings for the period attributable to the equity holders	<u>3,238,629</u>	<u>2,077,566</u>
Total comprehensive income for the period	<u>3,238,629</u>	<u>2,077,566</u>
Basic and diluted earnings per share	<u>0.65</u>	<u>0.42</u>

APD LIMITED**Unaudited Interim Statement of Changes in Equity
For the three months ended September 30, 2022 and 2021
(Amounts expressed in Bahamian dollars)**

	Share capital \$	Share premium \$	Retained earnings \$	Total \$
Balance at July 1, 2021	49,969	49,192,308	19,445,930	68,688,207
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>2,077,566</u>	<u>2,077,566</u>
Balance at September 30, 2021	<u>49,969</u>	<u>49,192,308</u>	<u>21,523,496</u>	<u>70,765,773</u>
Balance at July 1, 2022	49,969	49,192,308	21,367,312	70,609,589
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>3,238,629</u>	<u>3,238,629</u>
Balance at September 30, 2022	<u>49,969</u>	<u>49,192,308</u>	<u>24,605,941</u>	<u>73,848,218</u>

APD LIMITED**Unaudited Interim Statement of Cash Flows
For the three months ended September 30, 2022 and 2021
(Amounts expressed in Bahamian dollars)**

	2022	2021
	\$	\$
Cash flows from operating activities		
Total comprehensive income for the period	3,238,629	2,077,566
Adjustments for:		
Depreciation	824,122	880,173
Depreciation-Right-of-Use-Asset	140,698	140,698
Amortisation of preference share issue cost	-	373,660
(Gain)/Loss on disposal of assets	37,541	115
Interest income	(13,697)	(1,572)
Interest on preference shares	-	320,563
Interest on lease liability	527,592	529,827
Loan interest expense	225,026	62,896
Operating profit before changes in working capital	4,979,911	4,383,926
(Increase) / Decrease in accounts receivable	(1,634,471)	12,717
Decrease / (Increase) in deposit, prepayments & other assets	518,131	(473,646)
(Increase) / Decrease in purchase inventory	(34,481)	40,088
Increase in tax receivable	(90,083)	(113,204)
Increase in deposits held	-	-
Decrease in accounts payable	(68,757)	(69,291)
Increase in due to related parties	153,778	217,531
Increase in accrued expense and other liabilities	718,015	243,995
Decrease in Deferred borrowing costs	-	(93,276)
Net cash provided by operating activities	4,542,043	4,148,840
Cash flows from investing activities		
Acquisition of property and equipment	(209,281)	(401,256)
Proceeds from sale of property, plant and equipment	9,500	-
Net cash used in investing activities	(199,781)	(401,256)
Cash flows from financing activities		
Long term debt	-	30,856,000
Payment on redeemable preference Shares	-	(30,856,000)
Interest on preference shares	-	(320,563)
Interest income received	13,697	1,572
Principal payment on lease liability	(47,163)	(29,798)
Interest on lease liability	(527,592)	(529,827)
Interest expense paid	(225,026)	(62,896)
Net cash used in financing activities	(786,084)	(941,512)
Increase in cash and cash equivalents	3,659,283	2,806,072
Cash and cash equivalents, beginning of the period	19,817,081	17,606,947
Cash and cash equivalents, end of the period	23,476,364	20,413,019

APD LIMITED

Condensed Notes to the Unaudited Interim Financial Statements September 30, 2022

1. General information

APD Limited (the Company) was incorporated on February 24, 2009, under the Companies Act, 1992 of the Commonwealth of The Bahamas (The Bahamas). The Company is 40% owned by The Treasurer of The Bahamas, 40% owned by Arawak Cay Port Development Holdings Limited (ACPDHL) and 20% owned by the general public, hereinafter collectively referred to as the Shareholders. ACPDHL is owned by a consortium of private companies operating in The Bahamas.

The Company is a public company, which was listed on the Bahamas International Securities Exchange effective April 11, 2012. The Company's registered office is located at Ocean Centre, Montagu Foreshore, East Bay Street, New Providence, The Bahamas.

On May 10, 2010, the Company and the Government of The Bahamas (the Government) entered into a Memorandum of Understanding (MOU), whereby the Government initiated the relocation of the freight, cargo and port handling activities from downtown Bay Street on the island of New Providence to Arawak Cay, New Providence, and the Company agreed to design, develop, construct, manage, operate and maintain a new commercial port at Arawak Cay to be known as Nassau Container Port (the Port) and an inland terminal on Gladstone Road, to be known as Gladstone Freight Terminal (the Depot) (Note 13).

In accordance with the MOU, 20% of the Company's ordinary shares were offered for sale to the general public through an Initial Public Offering (IPO) held in February 2012. At the conclusion of the IPO, the Government and ACPDHL each owned 40% and the general public owned 20% of the ordinary share capital of the Company.

The Port and Depot facilities were developed on 56.55 acres of land on Arawak Cay, New Providence (the Port Land) and 15 acres of land at Gladstone Road, New Providence (the Depot Land). On June 21, 2011, the Minister responsible for the Lands and Survey, acting on behalf of the Government leased the Port Land and Depot Land and licensed 27.88 acres of seabed for use of the Company for 45 years which became effective May 1, 2012 and August 13, 2012, respectively, when the Port and Depot facilities were substantially completed.

The Company commenced operations on the date of substantial completion of the Port facility on May 1, 2012. Operations of the Port include a break bulk, a bulk and a container terminal that has 1,167 linear feet of berthing. The container terminal will have the capability of handling at least 75,000 Twenty-foot Equivalent Units (TEUs) annually. The Depot is comprised of 100,000 square feet and 10,000 square feet of warehouse and administrative office space respectively, and serves as a deconsolidation and distribution centre.

These condensed interim financial statements have not been audited.

2. Basis of preparation

These unaudited interim financial statements for the three months ended September 30, 2022 have been prepared in accordance with International Accounting Standard (IAS) 34, 'Interim financial reporting'. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended June 30, 2022, which have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

APD LIMITED

Condensed Notes to the Unaudited Interim Financial Statements September 30, 2022

3. Accounting policies

The accounting policies applied, methods of computation and presentation are consistent with those of the annual financial statements for the year ended June 30, 2022.

4. Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended June 30, 2022.

5. Financial risk management

5.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

These condensed financial statements do not include all the financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at June 30, 2022. There have been no changes in the Company's risk management policies since June 30, 2022.

5.2 Liquidity risk

Compared to year end there was no material change in the contractual undiscounted cash flows for the financial liabilities.

6. Seasonality of operations

Due to the nature of the Company's operations, seasonal trends are not applicable.