

Pacific International Lines (Private) Limited
Consolidated Income Statements
For the half year ended 30 June 2018 and 30 June 2019

	GROUP	
	1H 2018	1H 2019
	(unaudited)	(unaudited)
	US\$'000	US\$'000
Turnover	2,243,577	1,932,614
Other operating income	23,480	8,996
Changes in inventories of finished goods and work in progress	13,999	30,972
Raw material and consumables used	(756,237)	(470,922)
Investment and interest income	2,914	3,643
Staff costs	(156,264)	(126,699)
Depreciation	(125,531)	(190,725)
Amortisation of intangible assets	(1,319)	(1,321)
Write-back/(allowance) of impairment losses, net	72	(1,612)
Gain on disposal of shares in subsidiaries	6	29,201
Loss on disposal of shares in associates and joint ventures	(2,358)	–
Gain on disposal of shares in investments	–	283
Fair value changes in:		
- investments, at fair value through profit or loss, net	21	–
- derivative financial instruments, net	(3,770)	7,042
Foreign exchange differences	8,096	(6,813)
Shipping expenses	(1,150,756)	(1,022,342)
Administration and non-shipping expenses	(134,277)	(114,717)
Finance costs	(96,666)	(127,815)
Share of results of associates and joint ventures	5,520	2,579
Loss before taxation	(129,493)	(47,636)
Taxation	(11,683)	(17,355)
Loss for the year	(141,176)	(64,991)
Attributable to:		
Equity holders of the Company	(140,947)	(35,335)
Non-controlling interests	(229)	(29,656)
Loss for the year	(141,176)	(64,991)

Consolidated Balance Sheets
As at 31 December and 30 June

	GROUP	
	31 December 2018	30 June 2019
	(audited)	(unaudited)
	US\$'000	US\$'000
Non-current assets		
Fixed assets	4,656,702	4,324,525
Right-of-use assets	–	350,504
Investment property	18,068	18,505
Intangible assets	33,316	26,836
Associates and joint ventures	143,641	128,279
Investments	79,691	56,717
Deferred tax assets	611	675
Deferred transaction costs	50,406	48,474
Prepayments	4,460	1,559
Derivative financial instruments	1,061	–
	<u>4,987,956</u>	<u>4,956,074</u>
Current assets		
Investments	693	1
Stocks	295,687	172,563
Trade debtors	450,731	318,718
Other debtors	155,209	97,986
Contract assets	11,927	8,685
Deferred transaction costs	6,366	6,860
Prepayments	14,577	14,925
Derivative financial instruments	42	3,260
Assets held for sale	–	527,378
Amounts due from holding company	147,294	147,294
Amounts due from related companies	34,190	34,879
Short-term fixed deposits, secured	51,925	91,122
Cash and short-term deposits	227,200	154,424
	<u>1,395,841</u>	<u>1,578,095</u>
Current liabilities		
Derivative financial instruments	1,354	569
Trade creditors	522,606	480,991
Loans	882,190	1,068,439
Lease creditors	102,898	130,992
Bills payable	80,236	27,127
Other creditors and accruals	214,811	185,845
Contract liabilities	118,603	102,555
Lease liabilities related to right-of-use assets	–	93,538
Amounts due to related companies	261,053	66,296
Notes	79,567	19,171
Provision for taxation	4,804	1,409
	<u>2,268,122</u>	<u>2,176,932</u>
Non-current liabilities		
Loans	1,073,657	755,115
Amounts due to related companies	20,448	182,806
Notes	43,630	44,287
Lease creditors	1,258,360	1,531,182
Lease liabilities related to right-of-use assets	–	218,729
Other creditors	17,437	12,506
Deferred tax liabilities	13,554	19,795
	<u>2,427,086</u>	<u>2,764,420</u>
Net assets	<u>1,688,589</u>	<u>1,592,817</u>

Consolidated Balance Sheets
As at 31 December and 30 June

	GROUP	
	31 December 2018	30 June 2019
	(audited)	(unaudited)
	US\$'000	US\$'000
Equity attributable to equity holders of the Company		
Share capital	376,127	376,127
Capital reserve	38,798	39,002
Revaluation reserve	4,735	4,735
Fair value reserve	6,590	14,509
Hedging reserve	16	16
Foreign currency translation reserve	(14,136)	(13,241)
Share options reserve	631	631
Other reserve	8,961	8,782
Revenue reserve	817,291	774,565
	1,239,013	1,205,126
Non-controlling interests	449,576	387,691
Total equity	1,688,589	1,592,817

Statement of Consolidated Cash Flow

For the half year ended 30 June 2019

	Group 1H 2019 US\$'000
Cash flows from operating activities	
Loss before taxation	(47,636)
Adjustments for:	
Amortisation of intangible assets	1,321
Depreciation	190,725
Dividend income from investment securities	(1,949)
Net fair value changes in derivative financial instruments	(7,042)
Fixed assets written off, net of amount recovered	721
Gain on disposal of fixed assets, net	(458)
Gain on termination of right-of-use assets	(323)
Gain on revaluation of investment property	(435)
Gain on disposal of shares in subsidiaries	(29,201)
Gain on disposal of shares in investments	(283)
Interest income	(1,694)
Interest expense	118,456
Amortisation of deferred transaction costs	7,106
Amortisation of Notes issuance costs	704
Allowance of impairment loss on fixed assets	1,654
Allowance of impairment loss on associates and joint ventures	1
Write-back of impairment loss on trade debtors and other debtors	(94)
Share of results of associates and joint ventures	(2,579)
Currency realignment	1,375
Operating income before working capital changes	230,369
Increase in prepayments, trade and other debtors	(66,797)
Increase in stocks	(130,461)
Increase in trade and other creditors and accruals	65,656
Increase in bills payable	24,003
Cash flows generated from operations	122,770
Interest income received	1,668
Interest paid	(111,166)
Income taxes paid	(7,846)
Net cash flows generated from operating activities	5,426

Statement of Consolidated Cash Flow

For the half year ended 30 June 2019

	Group 1H 2019 US\$'000
Cash flows from investing activities	
Repayment of loan by a subsidiary's associates and joint ventures	1,010
Repayment of loan by associates and joint ventures	7,402
Additional investment in associates and joint ventures, net	(80)
Proceeds from sales of investments	27,476
Cash inflow arising from disposal of subsidiaries	38,898
Cash outflow arising from disposal of associates and joint ventures	(1,273)
Cash inflow arising from acquisition of subsidiaries	615
Dividends from associates and joint ventures	4,596
Dividends from other investments	1,949
Addition of other intangible assets	(110)
Placement of short-term fixed deposits, secured	(39,197)
Proceeds from sales of fixed assets	25,311
Proceeds from sales of fixed assets written off	281
Proceeds from termination of right-of-use assets	6,019
Purchase of fixed assets	(34,071)
Net cash flows generated from investing activities	38,826
Cash flows from financing activities	
Dividends paid by subsidiaries to non-controlling interests	(15,499)
Capital contribution by subsidiaries to non-controlling interests	45
Proceeds from loans	474,709
Repayment of loans	(503,164)
Proceeds from issuance of Notes	50,000
Repayment of Notes	(110,000)
Payment of transaction costs related to issuance of Notes	(1,009)
Payment of transaction costs related to loans	(3,952)
Increase in net amounts due from associates and joint ventures	(34,869)
Increase in net amounts due to related companies	1,605
Increase in amount due to of lease creditors, net	97,798
Net cash flows used in financing activities	(44,336)
Net decrease in cash and cash equivalents	(84)
Net decrease in cash and cash equivalents reclassified to assets held for sale	(72,774)
Effect of exchange rate changes on cash and cash equivalents	82
Cash and cash equivalents at beginning of period	227,200
Cash and cash equivalents at end of period	154,424

By Order of the Board
Pacific International Lines (Private) Limited
Teo Siong Seng
Executive Chairman
13 September 2019