

Pacific International Lines (Private) Limited
Consolidated Income Statements
For the half year ended ended 30 June 2020 and 2019

	Group	
	Unaudited	Unaudited
	1H 2020	1H 2019
	US\$'000	US\$'000
Turnover	1,026,452	1,932,614
Other operating income	39,006	18,777
Changes in inventories of finished goods and work in progress	(8,575)	30,972
Raw material and consumables used	(54,315)	(470,922)
Investment and interest income	3,777	3,643
Staff costs	(64,053)	(126,699)
Depreciation	(138,844)	(190,725)
Amortisation of intangible assets	(1,303)	(1,321)
Allowance of impairment losses, net	(33)	(1,612)
Gain on disposal of shares in subsidiaries	31,850	-
Gain on disposal of shares in associates	3,281	-
Gain on disposal of shares in investments	-	283
Fair value changes in:		
- investments, at fair value through profit or loss, net	2	7,042
- derivative financial instruments, net	(8,288)	-
Foreign exchange differences	10,685	(6,813)
Shipping expenses	(782,502)	(1,022,342)
Administration and non-shipping expenses	(53,888)	(114,717)
Finance costs	(116,318)	(127,815)
Share of results of associates and joint ventures	1,167	2,579
Loss before taxation	(111,899)	(67,056)
Taxation	(8,014)	(17,355)
Loss for the period	(119,913)	(84,411)

Pacific International Lines (Private) Limited
Consolidated Balance Sheets
As at 30 June 2020 and 31 Dec 2019

	Group	
	Unaudited Jun-20 US\$'000	Unaudited Dec-19 US\$'000
Non-Current Assets		
Fixed assets	1,538,988	1,555,039
Right-of use-assets	1,761,109	1,855,431
Investment property	17,657	18,504
Intangible assets	24,967	26,275
Subsidiaries	-	-
Associates and joint ventures	116,411	119,723
Investments	27,729	28,730
Deferred tax assets	499	512
Deferred transaction costs	23,808	44,116
Prepayments	900	1,212
Amounts due from related companies	-	-
Amounts due from holding company	147,294	147,294
	3,659,362	3,796,836
Current Assets		
Investments	-	3,145
Stocks	94,702	124,256
Trade debtors	167,464	231,537
Other debtors	62,262	98,495
Contract assets	9,030	11,316
Deferred transaction costs	4,478	6,290
Prepayments	10,442	10,549
Derivative financial instruments	-	863
Amounts due from related companies	38,277	38,244
Short-term fixed deposits, secured	394	861
Cash and short-term deposits	159,045	218,718
	546,094	744,274
Assets classified as held for sale	41,649	655,522
	587,743	1,399,796
Current Liabilities		
Derivative financial instruments	11,092	8,045
Trade creditors	363,910	405,970
Loans	1,123,015	1,137,697
Lease liabilities	439,531	232,809
Bills payable	5,582	1,608
Other creditors and accruals	181,768	146,328
Contract liabilities	73,851	126,291
Amounts due to related companies	264,391	109,523
Notes	43,012	44,246
Provision for taxation	19,892	22,964
	2,526,044	2,235,481
Liabilities associated with assets classified as held for sale	-	52,787
	2,526,044	2,288,268
Net Current Liabilities	(1,938,301)	(888,472)

Pacific International Lines (Private) Limited
Consolidated Balance Sheets
As at 30 June 2020 and 31 Dec 2019

	Group	
	Unaudited Jun-20 US\$'000	Unaudited Dec-19 US\$'000
Non-Current Liabilities		
Loans	106,631	218,641
Amounts due to related companies	17,934	181,164
Lease liabilities	885,177	1,665,539
Other creditors	42,775	25,109
Deferred tax liabilities	6,630	6,792
	<u>1,059,147</u>	<u>2,097,245</u>
Net Assets	<u>661,914</u>	<u>811,119</u>
Equity attributable to equity holders of the Company		
Share capital	376,127	376,127
Capital reserve	29,964	29,946
Revaluation reserve	4,179	4,175
Fair value reserve	3,519	5,377
Hedging reserve	16	16
Foreign currency translation reserve	(20,721)	(13,442)
Share options reserve	621	621
Other reserve	9,338	8,797
Revenue reserve	(92,179)	27,262
Reserves of disposal group held for sale	-	(753)
	<u>310,864</u>	<u>438,126</u>
Non-controlling interests	<u>351,050</u>	<u>372,993</u>
Total equity	<u>661,914</u>	<u>811,119</u>

Pacific International Lines (Private) Limited
Statements of Consolidated Cash Flow
For the half year ended June 2020

	Group Unaudited 1H 2020 US\$'000	Group Unaudited 1H 2019 US\$'000
Cash flows from operating activities		
Loss before taxation	(111,899)	(47,636)
Adjustments for:		
Amortisation of intangible assets	1,303	1,321
Depreciation	138,844	190,725
Dividend income from investment securities	(2,484)	(1,949)
Fair value changes in investments	(2)	-
Net fair value changes in derivative financial instruments	8,288	(7,042)
Fixed assets written off, net of amount recovered	108	721
Gain on disposal of fixed assets, net	(31,016)	(458)
Gain on termination of right-of-use assets	(511)	(323)
Loss/(Gain) on revaluation of investment property	845	(435)
Gain on disposal of shares in subsidiaries	(31,850)	(29,201)
Gain on disposal of shares in associates and joint ventures	(3,281)	-
Gain on disposal of investments	-	(283)
Interest income	(1,293)	(1,694)
Interest expense	91,046	118,456
Amortisation of deferred transaction costs	23,206	7,106
Amortisation of Note issuance costs	85	704
(Write-back)/Allowance of impairment loss on associates and joint ventures	(11)	1
Allowance of impairment loss on fixed assets	-	1,654
Allowance/(Write-back) of impairment loss on trade debtors and other debtors	44	(94)
Share of results of associates and joint ventures	(1,167)	(2,579)
Currency realignment	12,387	1,375
Operating income before working capital changes	92,642	230,369
Decrease/(Increase) in prepayments, trade and other debtors	101,979	(66,797)
Decrease/(Increase) in stocks	29,616	(130,461)
(Decrease)/Increase in trade and other creditors and accruals	(70,458)	65,656
Increase in bills payable	3,946	24,003
Cash flows generated from operations	157,725	122,770
Interest income received	1,293	1,668
Interest paid	(52,174)	(111,166)
Income taxes paid	(3,642)	(7,846)
Freight taxes paid	(6,477)	-
Net cash flows generated from operating activities	96,725	5,426

Pacific International Lines (Private) Limited
Statements of Consolidated Cash Flow
For the half year ended June 2020

	Group Unaudited 1H 2020 US\$'000	Group Unaudited 1H 2019 US\$'000
Cash flows from investing activities		
Repayment of loan by a subsidiary's associates and joint ventures	909	1,010
Repayment of loan by an associates and joint ventures	403	7,402
Additional investment in associates and joint ventures, net	-	(80)
Increase in investments	(2,825)	-
Proceeds from sales of investments	-	27,476
Cash inflow arising from disposal of subsidiaries	53,486	38,898
Cash inflow/(outflow) arising from disposal of associates and joint ventures	400	(1,273)
Cash inflow arising from acquisition of subsidiaries	-	615
Dividends from associates and joint ventures	3,132	4,596
Dividends from other investments	2,484	1,949
Addition of other intangible assets	-	(110)
Placement of short-term fixed deposits, secured	-	(39,197)
Proceeds from sales of fixed assets	578,952	25,311
Proceeds from sales of fixed assets written off	527	281
Proceeds from termination of right-of-use assets	-	6,019
Purchase of fixed assets	(60,554)	(34,071)
Net cash flows generated from investing activities	576,914	38,826
Cash flows from financing activities		
Dividends paid by subsidiaries to non-controlling interests	(1,534)	(15,499)
Withdrawal of short-term fixed deposits, secured	467	-
Capital contribution by subsidiaries to non-controlling interests	-	45
Proceeds from loans	103,530	474,709
Repayment of loans	(246,241)	(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)
Decrease in net amounts due to associates and joint ventures	(528)	(34,869)
(Decrease)/Increase in net amounts due to related companies	(4,320)	1,605
Increase in amount due to lease creditors, net	-	97,798
Cash payment for the principal portion of lease liability	(583,050)	-
Net cash flows used in financing activities	(731,676)	(44,336)
Net decrease in cash and cash equivalents	(58,037)	(84)
Net increase/(decrease) in cash and cash equivalents reclassified to assets held for sale	2,039	(72,774)
Effect of exchange rate changes on cash and cash equivalents	(3,644)	82
Cash and cash equivalents at beginning of period	217,394	227,200
Cash and cash equivalents at end of period	157,752	154,424