Point Lisas Industrial Port Development Corporation Limited

Condensed Consolidated Interim Financial Information

30 September 2019 (Expressed in Trinidad and Tobago Dollars)

Chairman's Report

I am pleased to report on the Corporation's Financial Performance for the nine months ended September 30th, 2019.

The Corporation's Group Profit before Tax, exclusive of Fair Value adjustments on the tenanted Estate premises, was $28.6M in 2019 as compared to $17.7M in 2018. The Fair Value Gains of $82.4M (2018: $128M) resulted from increases in the value of investment properties on the Industrial Estate as a result of rent reviews and renewals during the period.

Earnings per Share (EPS) stood at $2.56 ($2.00, 2018) while Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) rose to $57.4M (2018: $45.3M).

Group Revenue climbed to $231M (an increase of $23M or 11%) due to increased revenue from improved Port throughput and Estate lease rental reviews. Increases in the cargo throughput at the Port came by way of increases in containerised cargo volume of 4%. Estate's revenue grew by $8.3M when compared to 2018, as a result of retroactive lease renewals.

The Corporation continues to invest in plant, equipment and technology to increase its productive capacity and efficiency and to further facilitate increases in product offerings to our customers. Projects to be continued in the last quarter of the year will include CCTV upgrade, new security systems and infrastructure repairs to Berth 5 and RTG Bays.

In closing, I would like to give the assurance of the continued commitment of the Board, Management and Staff of PLIPDECO in ensuring the Corporation's future growth and development.

Ian R. H. Atherly
Chairman

Condensed Consolidated Interim Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

	30 September 2019 $'000	30 September 2018 $'000	31 December 2018 $'000
Assets			
Non-current assets			
Property, plant and equipment	752,211	765,785	766,059
Investment properties	2,102,780	1,996,673	2,020,905
Trade receivables	1,689	2,952	2,724
Deferred income tax assets	17,847	16,650	17,122
Financial assets at amortised cost	897	897	897
Financial assets at fair value through other comprehensive income	1,507	1,381	1,416
	2,876,931	2,784,338	2,809,123
Current assets	194,366	167,506	173,192
Total assets	3,071,297	2,951,844	2,982,315
Equity and liabilities			
Equity attributable to owners of the parent			
Stated capital	139,968	139,968	139,968
Unallocated ESOP shares	(32)	(32)	(32)
Investment revaluation reserve	569	443	478
Revaluation reserves	243,977	246,954	246,210
Retained earnings	2,278,330	2,152,490	2,179,477
	2,662,812	2,539,823	2,566,101
Non-current liabilities			
Long and medium-term liabilities	129,680	143,170	136,671
Retirement benefit obligation	26,744	28,008	27,026
Casual employee retirement benefit obligation	29,015	27,493	26,915
Deferred income tax liabilities	95,034	95,306	99,774
Deferred lease rental income	57,281	58,332	58,066
	337,754	352,309	348,452
Current liabilities	70,731	59,712	67,762
Total liabilities	408,485	412,021	416,214
Total equity and liabilities	3,071,297	2,951,844	2,982,315

On 24 October 2019, the Board of Directors of Point Lisas Industrial Port Development Corporation Limited authorised this condensed consolidated interim financial information for issue.

Mr. Ian R. H. Atherly Mr. Prakash Ramnarine

Condensed Consolidated Interim Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Three months ended 30 September 2019 $'000	Three months ended 30 September 2018 $'000	Nine months ended 30 September 2019 $'000	Nine months ended 30 September 2018 $'000
Revenue	74,585	75,860	231,711	208,662
Cost of providing services	(20,942)	(22,312)	(67,929)	(66,092)
Gross profit	53,643	53,548	163,782	142,570
Unrealised fair value (loss)/gain on investment properties	(2,845)	71,250	82,455	128,020
Administrative expenses	(24,156)	(22,129)	(73,883)	(67,781)
Other operating expenses	(19,554)	(19,156)	(58,220)	(55,846)
Other income	189	161	630	505
Operating profit	7,277	83,674	114,764	147,468
Investment income	250	253	641	806
Finance costs	(1,454)	(873)	(4,311)	(2,551)
Profit before taxation	6,073	83,054	111,094	145,723
Income tax expense	(2,462)	(4,005)	(9,719)	(6,284)
Profit for the period	3,611	79,049	101,375	139,439
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Change in the fair value of equity investments at fair value through other comprehensive income	(53)	(78)	91	64
Total comprehensive income for the period	3,558	78,971	101,466	139,503
Earnings per share				
Basic earnings per share	9¢	200¢	256¢	352¢
Diluted earnings per share	9¢	198¢	254¢	350¢

Condensed Consolidated Interim Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Stated capital $'000	Revaluation reserves $'000	Investment revaluation reserves $'000	Unallocated ESOP shares $'000	Retained earnings $'000	Shareholders' equity $'000
Nine months ended 30 September 2019						
Balance as at 1 January 2019	139,968	246,210	478	(32)	2,179,477	2,566,101
Transfer of revaluation reserve to retained earnings, net of tax	--	(2,233)	--	--	2,233	--
<u>Comprehensive income</u>						
- Profit for the period	--	--	--	--	101,375	101,375
<u>Other comprehensive income</u>						
- Change in the fair value of equity investments at fair value through other comprehensive income	--	--	91	--	--	91
- Transactions with owners-dividends	--	--	--	--	(4,755)	(4,755)
Balance as at 30 September 2019	139,968	243,977	569	(32)	2,278,330	2,662,812
Nine months ended 30 September 2018						
Balance as at 1 January 2018	139,968	249,581	379	(32)	2,015,332	2,405,228
Change in accounting policy	--	--	--	--	(3,719)	(3,719)
Restated total equity at the beginning of the financial year	139,968	249,581	379	(32)	2,011,613	2,401,509
Transfer of revaluation reserve to retained earnings, net of tax	--	(2,627)	--	--	2,627	--
<u>Comprehensive income</u>						
- Profit for the period	--	--	--	--	139,439	139,439
<u>Other comprehensive income</u>						
- Change in the fair value of equity investments at fair value through other comprehensive income	--	--	64	--	--	64
- Transactions with owner-dividends	--	--	--	--	(1,189)	(1,189)
Balance as at 30 September 2018	139,968	246,954	443	(32)	2,152,490	2,539,823

Condensed Consolidated Interim Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Nine months ended 30 September 2019 $'000	Nine months ended 30 September 2018 $'000
Cash flows from operating activities		
Profit before taxation	111,094	145,723
Depreciation	24,695	25,104
Unrealised fair value gains on investment properties	(82,455)	(128,020)
Decrease in deferred lease rental income	(2,386)	(3,312)
Net interest expense	3,670	1,745
(Increase)/decrease in inventory	(325)	1,782
Increase in receivables and prepayments	(3,715)	(14,718)
Increase in payables and accruals	4,959	859
Foreign exchange loss/(gain) on long and medium-term liabilities	207	(93)
Net movement in retirement benefit obligation	(282)	(352)
Net movement in casual employee retirement benefit obligation	2,100	2,048
Interest paid	(4,104)	(2,461)
Income tax paid	(8,139)	(4,517)
Net cash generated from operating activities	45,319	23,788
Cash flows from investing activities		
Additions to property, plant and equipment	(10,847)	(30,078)
Investments in bonds	--	(897)
Interest received	641	806
Net cash used in investing activities	(10,206)	(30,169)
Cash flows from financing activities		
Dividends paid	(4,755)	(1,189)
Repayment of long and medium-term liabilities	(7,234)	(6,815)
Net cash used in financing activities	(11,989)	(8,004)
Net increase/(decrease) in cash and cash equivalents	23,124	(14,385)
Cash and cash equivalents, beginning of period	109,935	121,057
Effects of exchange rate changes on cash and cash equivalents	(207)	(90)
Cash and cash equivalents, end of period	132,852	106,582
Cash and cash equivalents		
Short-term deposits	97,712	15,731
Cash at bank and on hand	35,140	(1,279)
Bank overdraft	--	92,130
	132,852	106,582

The full financials can be found on the website at www.plipdeco.com