



1st Quarter
Financial Statements

December 31, 2016

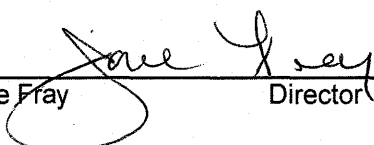
Cargo Handlers Limited


Statement of Financial Position

3 months ending December 31, 2016

	Unaudited Dec 2016 \$	Unaudited Dec 2015 \$	Audited Sept 2016
Non-Current Assets			
Property, plant & equipment	46,577,379	58,669,223	48,566,195
Related Companies	29,933,877	30,401,696	9,271,149
	76,511,256	89,070,919	57,837,344
Current Assets			
Receivables	85,514,431	54,542,841	79,367,349
Taxation recoverable	790,234	705,791	668,603
Cash	231,662,657	173,644,614	223,686,802
	317,967,321	228,893,246	303,722,754
Current Liabilities			
Payables	12,392,157	15,505,807	26,594,507
Income tax payable	14,058,588	-	11,425,502
Directors' current accounts	40,322	40,322	40,322
Borrowings	336,408	2,557,347	215,799
	26,827,475	18,103,476	38,276,130
Net Current Assets/(Liabilities)	291,139,846	210,789,770	265,446,624
	367,651,102	299,860,688	323,283,968
Shareholders' Equity			
Share capital	43,175,494	43,175,494	43,175,494
Capital reserve	172,311	172,311	172,311
Retained earnings	303,862,937	238,392,966	257,650,620
	347,210,742	281,740,771	300,998,425
Non-Current Liability			
Deferred tax liability	2,292,266	1,479,459	2,292,266
Related Companies	18,148,095	16,640,458	19,993,277
	20,440,361	18,119,917	22,285,543
	367,651,102	299,860,688	323,283,968

Approved by the Board of Directors and signed on its behalf by:


Jane Fray Director


Theresa Chin Director

Cargo Handlers Limited

Statement of Comprehensive Income

3 months ending December 31, 2016

	3 months to Dec 2016	3 months to Dec 2015
	\$	\$
Revenue	86,992,842	66,062,562
Other income	3,421,204	2,493,853
Administrative expenses	(4,505,933)	(3,281,511)
Other operating expenses	(33,518,580)	(25,072,816)
Operating Profit	52,389,533	40,202,087
Interest Income	728,933	749,422
Finance costs	(248,621)	(145,490)
Profit before Taxation	52,869,844	40,806,019
Taxation	(6,657,527)	(5,500,000)
Net Profit, being Total Comprehensive Income for period December 31	46,212,317	35,306,019
Earnings Per Share (EPS)	0.12	0.09

Cargo Handlers Limited

Statement of Changes in Equity

3 months ending December 31, 2016

	Number of Stock Units	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Total \$
Balance at 30 September 2015	37,465,830	43,175,494	172,311	203,086,946	246,434,751
Net profit, being total comprehensive income for the period	-	-	-	35,306,019	35,306,019
Transactions with owners:	-	-	-	-	-
Dividends paid	-	-	-	-	-
Balance at 31 December 2015	37,465,830	43,175,494	172,311	238,392,966	281,740,771
Balance at 30 September 2016	37,465,830	43,175,494	172,311	257,650,620	300,998,425
Net profit, being total comprehensive income for the period	-	-	-	46,212,317	46,212,317
Transactions with owners:	-	-	-	-	-
Dividends paid	-	-	-	-	-
Balance at 31 December 2016	37,465,830	43,175,494	172,311	303,862,937	347,210,742

Cargo Handlers Limited

Statement of Cash Flows

3 months ending December 31, 2016

	Dec 2016 \$	Dec 2015 \$
Cash Flows from Operating Activities		
Net Profit	46,212,317	35,306,019
Items not affecting cash:		
Unrealised exchange (gain)/loss	(1,770,634)	(3,226,742)
Depreciation	1,831,403	1,786,159
Bad debt written off	2,336	-
Interest income	(728,933)	(749,422)
Interest expense	248,621	145,490
Taxation	6,657,527	-
	<u>52,452,638</u>	<u>33,261,505</u>
Changes in operating assets and liabilities:		
Receivables	(5,740,421)	(3,073,725)
Payables	(14,202,351)	833,969
Directors' current accounts	-	(248,637)
Cash (used in)/provided by operating activities	<u>32,509,866</u>	<u>30,773,112</u>
Tax withheld at source	(34,737)	-
Income tax paid	<u>(4,111,335)</u>	<u>(37,189)</u>
Net cash (used in)/provided by operating activities	<u>28,363,794</u>	<u>30,735,923</u>
Cash Flows from Investing Activities		
Purchase of property, plant & equipment	157,413	(6,637,274)
Interest received	<u>728,933</u>	<u>749,422</u>
Cash provided by investing activities	<u>886,345</u>	<u>(5,887,852)</u>
Cash Flows from Financing Activities		
Related Companies	(22,507,910)	(6,813,426)
Interest paid	(248,621)	(145,490)
Bank overdraft	<u>336,409</u>	<u>2,557,347</u>
Cash provided by financing activities	<u>(22,420,122)</u>	<u>(4,401,568)</u>
(Decrease)/Increase in net cash and cash equivalents	6,830,017	20,446,503
Effect of exchange rate on net cash and cash equivalents	1,361,637	2,628,335
Cash and cash equivalents at beginning of year	<u>223,471,003</u>	<u>150,569,776</u>
Cash and cash equivalents for period ending Dec 31	<u>231,662,657</u>	<u>173,644,614</u>

Cargo Handlers Limited

Selected Notes to the Financial Statements Period Ending 31 December 2016

1. Identification and Principal Activity

The Company is incorporated and domiciled in Jamaica and has its registered office at Montego Freeport Shopping Centre, Montego Bay. The Company's principal activity is the provision of stevedoring services.

The Company is a publicly listed company having its listing on the Junior Market of the Jamaica Stock Exchange.

2. Basis of preparation

The interim financial statements for the period December 31, 2016 have been prepared in accordance with and in compliance with financial reporting standards. These interim financial statements were presented in accordance with IAS 34 "Interim Financial Reports", and follows the same accounting policies and method of computation that were used in the annual audit financial statements September 30, 2016.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statement are disclosed in Note 4.

3. Taxation

The company's shares were listed on the Junior Market of the Jamaica Stock Exchange on December 28, 2010. Consequently, the company is entitled to a remission of taxes for 10 years in the proportions set out below, provided the share remain listed for at least 15 years.

Years 1 to 5	100%
Years 6 to 10	50%

4. Critical Accounting Judgments and key Sources of Estimation Uncertainty

Estimates and judgments used in preparing the financial statements of the Company are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In the process of applying the Company's accounting policies, management has arrived at no judgments which it believes would have a significant impact on the amounts recognized in these financial statements. Also, management has derived no estimates for inclusion in these financial statements which it believes have a significant risk of causing a material adjustment to the carrying amounts of these assets and liabilities within the next financial year.

Cargo Handlers Limited

Selected Notes to the Financial Statements
Period Ending 31 December 2016

Management Discussions and Analysis

The conclusion of our first quarter of the new financial year ending December 31, 2016 also heralded the start of the 2016/17 winter tourist season and all indications point to a record year for Jamaica and Montego Bay in particular. Increased passenger vessel traffic coupled with the seasonal increases in containerized cargo, pushed revenue to \$91.1M or 31% above the \$69.3M realized for the corresponding three month period last year. Costs were proportionately impacted by the additional business increasing by \$13M for the period mainly due to salaries. The quarter's results yielded a net profit of \$46.2M which is 20% above the \$38.5M realized for the corresponding three months to December 31, 2015. Earnings per share for the three month period were \$0.12 compared to \$0.09 in the corresponding quarter of the previous year.

Cargo Handlers Limited is confident that our dedicated team-members will continue to go above and beyond to ensure that we achieve the levels of expertise required to meet evolving industry challenges. We are proud of our success and our track record of service to our customers, and the communities in which we live and work. Our foundation of integrity has served us well in all of our businesses endeavors and we are excited with the direction in which the company is headed. We will continue to balance the interests of all stakeholders in everything we do and we sincerely thank our shareholders for the confidence shown toward the company.

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TOP TEN (10) STOCKHOLDERS

As at 31 December 2016

<u>NAME</u>	<u>UNITS</u>	<u>PERCENTAGE</u>
North Star Investment Ltd	113,242,640	27.2055
Jane Fray	112,911,980	27.1261
Mark Hart	98,920,782	26.4053
Cargo Handlers Trust	41,591,700	9.9920
Antony M. Hart	10,991,198	2.64
Mayberry Managed Clients Accounts	5,336,171	1.2819
Mayberry Investments Ltd. Pension Scheme	3,429,920	0.8240
Rosemarie McIver	2,761,190	0.6633
Nigel O. Coke	2,735,877	0.6572
Robert Chin	2,580,000	0.6198

DIRECTORS AND CONNECTED PARTIES REPORT

<u>NAME</u>	<u>POSITION</u>	<u>RELATIONSHIP</u>	<u>UNITS</u>	<u>PERCENTAGE</u>
Mark Hart	Chairman	Self	98,920,782	27.20
Jane Fray	Director	Self	112,911,980	27.1261
Anthony Hart	Director	Connected party holding	113,242,640	23.7647
Theresa Chin	Director	Connected party holding	5,879,220	1.4115
Andrew McCarthy	Director	Self	0.00	0.00
John Byles	Director	Self	0.00	0.00
Key Member Holdings			211,832,762	50.89
Connected Party Holdings			119,121,860	28.6115
Combined Holdings			330,954,622	79.5023

Senior Managers

Theresa Chin	760,022
Christopher Hurge	40,000