

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF JANUARY 31, 2014**

	31-Jan-14	31-Jan-13	31-Jul-13
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	11,446,281	14,241,935	17,666,637
Accounts receivable, net	23,071,011	21,437,296	23,092,939
Note receivable	100,223	35,514	150,187
Inventories	26,259,268	31,317,559	35,790,884
Investments	274,000	324,500	275,000
Prepaid expenses and sundry assets	1,528,921	1,622,477	3,210,402
Total current assets	62,679,704	68,979,281	80,186,049
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment, net	85,070,096	78,581,723	84,450,013
Intangible assets	15,771,901	12,655,020	15,771,901
Total non-current assets	100,841,997	91,236,743	100,221,914
<b>TOTAL ASSETS</b>	<b>163,521,701</b>	<b>160,216,024</b>	<b>180,407,963</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable and accrued liabilities	26,675,173	35,232,367	40,750,964
Dividends payable	1,701,444	1,701,449	1,701,449
Current portion of long-term debt	368,388	-	357,225
Bank overdraft	2,343,754	-	4,825,829
<b>NON-CURRENT LIABILITIES:</b>			
Long term debt	4,019,954	-	4,206,355
Total liabilities	35,108,713	36,933,816	51,841,822
<b>SHAREHOLDERS' EQUITY:</b>			
Share capital	85,072	85,072	85,072
Preference shares	500,000	500,000	500,000
Contributed capital	54,729,450	54,729,450	54,729,450
Revaluation surplus	1,221,039	1,247,389	1,221,039
Retained earnings	67,273,891	62,743,108	67,740,186
Equity attributable to shareholders of the company	123,809,452	119,305,019	124,275,747
<b>NON-CONTROLLING INTEREST</b>	<b>4,603,536</b>	<b>3,977,189</b>	<b>4,290,394</b>
Total equity	128,412,988	123,282,208	128,566,141
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>163,521,701</b>	<b>160,216,024</b>	<b>180,407,963</b>

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**SIX MONTHS ENDED JANUARY 31, 2014**

	31-Jan-14	31-Jan-13	31-Jul-13
REVENUES	179,848,429	181,956,770	379,858,165
COST OF SALES	(153,305,214)	(156,512,003)	(324,204,795)
Gross profit	26,543,215	25,444,767	55,653,370
Other income	8,113	4,807	10,759
Marketing, administrative and general expenses	(18,695,494)	(17,027,528)	(35,039,122)
Depreciation and amortization	(1,978,699)	(1,789,262)	(3,366,213)
Finance costs	(302,727)	(121,740)	(301,231)
Unrealized gain (loss) on investments	(1,000)	(36,500)	(86,000)
NET AND COMPREHENSIVE INCOME	5,573,408	6,474,544	16,871,563
NET INCOME ATTRIBUTABLE TO:			
Shareholders of the company	5,260,266	6,133,794	16,199,536
Non-controlling interest	313,142	340,750	672,027
	5,573,408	6,474,544	16,871,563
EARNINGS PER SHARE	0.12	0.14	0.38

**FOCOL HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**SIX MONTHS ENDED JANUARY 31, 2014**

	31-Jan-14	31-Jan-13	31-Jul-13
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income	5,573,408	6,474,544	16,871,563
Adjustments for:			
Depreciation	1,978,699	1,789,262	3,366,213
Unrealized (gain) loss on investments	1,000	36,500	86,000
Loss (gain) on disposals of property, plant and equipment	-	-	46,653
Income from operations before working capital changes	7,553,107	8,300,306	20,370,429
(AIncrease) Decrease in accounts receivable, net	21,928	2,410,864	(1,787,984)
Decrease (Increase) in prepaid expenses and deposits	1,681,481	1,349,542	(251,325)
(AIncrease) Decrease in inventories	9,531,616	(1,549,985)	(5,982,377)
Increase (Decrease) in accounts payable and accrued expenses	(14,075,791)	(5,062,723)	2,896,529
Increase (Decrease) in dividends payable	(5)	5	-
Net cash from operating activities	4,712,336	5,448,009	15,245,272
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Net cash inflow on acquisition of subsidiaries	-	-	(1,205,716)
(Increase) Decrease in notes receivable	49,964	-	(545,148)
Purchase of property, plant and equipment	(2,616,968)	(3,961,009)	(8,312,451)
Net cash used in investing activities	(2,567,004)	(3,961,009)	(10,063,315)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Common share dividends paid	(4,083,465)	(4,083,465)	(9,086,370)
Repayment of long-term debt	(175,238)	-	(68,089)
Dividends paid to non-controlling shareholders	-	(1,600,000)	-
Preference dividends	(1,625,000)	(1,625,000)	(3,250,000)
Net cash used in financing activities	(5,883,703)	(7,308,465)	(12,404,459)
<b>NET DECREASE IN CASH</b>	<b>(3,738,371)</b>	<b>(5,821,465)</b>	<b>(7,222,502)</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>12,840,898</b>	<b>20,063,400</b>	<b>20,063,400</b>
<b>CASH, END OF YEAR</b>	<b>9,102,527</b>	<b>14,241,935</b>	<b>12,840,898</b>
<b>CASH AND CASH EQUIVALENTS IS COMPRISED OF</b>			
<b>THE FOLLOWING:</b>			
Cash and bank balances	11,446,281	14,241,935	17,666,637
Bank overdraft	(2,343,754)	-	(4,825,829)
	<b>9,102,527</b>	<b>14,241,935</b>	<b>12,840,808</b>
<b>SUPPLEMENTAL INFORMATION :</b>			
Interest paid on bank overdraft and loans	302,727	121,470	301,231
Interest received	2,113	4,807	10,759
Dividends received	6,000	-	-