

CHELSEA LOGISTICS AND INFRASTRUCTURE HOLDINGS CORP. AND SUBSIDIARIES
(Formerly Chelsea Logistics Holdings Corp.)
(A Subsidiary of Udenna Corporation)
 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2019 AND DECEMBER 31, 2018
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>June 30, 2019</u> <u>(Unaudited)</u>	<u>December 31, 2018</u> <u>(Audited)</u>
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 383,756,819	P 443,495,969
Trade and other receivables - net	5	1,806,484,220	1,430,045,495
Financial assets at fair value through profit or loss	6	3,947,736	3,947,736
Inventories	7	481,288,737	525,904,778
Advances to related parties	19	1,526,587,498	3,127,555,209
Other current assets	8	<u>881,319,189</u>	<u>963,520,687</u>
Total Current Assets		<u>5,083,384,199</u>	<u>6,494,469,874</u>
NON-CURRENT ASSETS			
Property and equipment - net	9	19,589,576,754	17,303,897,157
Investments in associates and a joint venture	10	2,303,688,451	1,821,168,833
Goodwill	23	5,641,434,544	5,641,434,544
Post-employment benefit asset	16	12,300,710	12,300,710
Deferred tax assets - net	18	338,657,319	283,345,565
Other non-current assets - net	11	<u>572,281,453</u>	<u>734,638,640</u>
Total Non-current Assets		<u>28,457,939,231</u>	<u>25,796,785,449</u>
TOTAL ASSETS		<u>P 33,541,323,430</u>	<u>P 32,291,255,323</u>

	Notes	June 30, 2019	December 31, 2018
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Trade and other payables	13	P 4,331,099,395	P 3,511,146,370
Interest-bearing loans	12	5,735,241,174	6,555,553,721
Advances from related parties	19	539,350,634	36,098,668
Income tax payable		<u>18,645,365</u>	<u>22,769,050</u>
Total Current Liabilities		<u>10,624,336,568</u>	<u>10,125,567,809</u>
NON-CURRENT LIABILITIES			
Interest-bearing loans	12	9,521,180,158	9,064,308,132
Post-employment benefit obligation	16	35,162,375	35,162,375
Deferred tax liabilities - net	18	88,116,944	82,471,428
Other non-current liabilities		<u>50,159,128</u>	<u>58,792,374</u>
Total Non-current Liabilities		<u>9,694,618,605</u>	<u>9,240,734,309</u>
Total Liabilities		<u>20,318,955,173</u>	<u>19,366,302,118</u>
EQUITY			
Equity attributable to shareholders of the Company			
Capital stock	20	1,821,977,615	1,821,977,615
Additional paid-in capital	20	9,998,370,157	9,998,370,157
Revaluation reserves	20	1,444,129,625	1,497,869,655
Other reserves	20	(1,058,033,280)	(1,058,033,280)
Retained earnings		<u>835,924,140</u>	<u>484,769,058</u>
		<u>13,042,368,257</u>	<u>12,744,953,205</u>
Non-controlling interest	20	<u>180,000,000</u>	<u>180,000,000</u>
Total Equity		<u>13,222,368,257</u>	<u>12,924,953,205</u>
TOTAL LIABILITIES AND EQUITY		<u>P 33,541,323,430</u>	<u>P 32,291,255,323</u>

See Notes to Interim Consolidated Financial Statements.

CHELSEA LOGISTICS AND INFRASTRUCTURE HOLDINGS CORP. AND SUBSIDIARIES
(Formerly Chelsea Logistics Holdings Corp.)
(A Subsidiary of Udenna Corporation)
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE SIX MONTHS AND THREE MONTHS ENDED JUNE 30, 2019, 2018 AND 2017
(Amounts in Philippine Pesos)
(Unaudited)

Notes	For the six months ended June 30,			For the three months ended June 30,		
	2019	2018	2017	2019	2018	2017
REVENUES						
Charter fees	19 P 1,215,458,060	P 965,785,688	P 705,807,747	P 705,537,871	P 554,862,527	P 443,494,395
Freight	1,031,836,066	855,328,875	435,221,191	509,571,630	469,633,266	310,533,150
Passage	732,760,220	544,845,869	252,715,966	436,817,876	326,874,728	93,630,443
Rendering of services	305,493,395	158,021,374	1,066,696	147,946,725	84,512,570	703,265
Tugboat fees	163,075,851	179,407,600	127,598,781	81,346,284	96,139,238	63,654,737
Sale of goods	45,903,031	16,740,936	14,414,584	31,365,503	8,380,591	8,131,500
	<u>3,494,526,623</u>	<u>2,720,130,342</u>	<u>1,536,824,965</u>	<u>1,912,585,889</u>	<u>1,540,402,920</u>	<u>920,147,490</u>
COST OF SALES AND SERVICES	14 <u>2,308,481,127</u>	<u>1,673,550,390</u>	<u>932,930,610</u>	<u>1,300,480,467</u>	<u>914,879,721</u>	<u>484,268,662</u>
GROSS PROFIT	<u>1,186,045,496</u>	<u>1,046,579,952</u>	<u>603,894,355</u>	<u>612,105,422</u>	<u>625,523,199</u>	<u>435,878,828</u>
OTHER OPERATING EXPENSES	15 <u>459,290,993</u>	<u>457,453,949</u>	<u>190,014,654</u>	<u>249,383,411</u>	<u>283,566,712</u>	<u>120,385,433</u>
OPERATING PROFIT	<u>726,754,503</u>	<u>589,126,003</u>	<u>413,879,701</u>	<u>362,722,011</u>	<u>341,956,487</u>	<u>315,493,395</u>
OTHER INCOME (CHARGES) - Net						
Finance costs	16 (516,971,161)	(348,165,876)	(222,590,731)	(261,440,939)	(183,070,302)	(117,252,592)
Share in net income (loss) of an associate	10 (59,891,444)	55,978,411	62,386,769	33,424,033	44,885,127	62,386,769
Finance income	17 3,289,681	11,471,299	8,934,611	720,678	9,856,983	7,029,898
Other income	17 <u>126,929,893</u>	<u>65,906,657</u>	<u>47,290,562</u>	<u>59,393,350</u>	<u>35,667,396</u>	<u>4,256,877</u>
	<u>(446,643,031)</u>	<u>(214,809,509)</u>	<u>(103,978,789)</u>	<u>(167,902,878)</u>	<u>(92,660,796)</u>	<u>(43,579,048)</u>
PROFIT BEFORE TAX	<u>280,111,472</u>	<u>374,316,494</u>	<u>309,900,912</u>	<u>194,819,133</u>	<u>249,295,691</u>	<u>271,914,347</u>
TAX EXPENSE (INCOME)	18 (<u>28,251,571</u>)	<u>13,570,586</u>	<u>32,302,458</u>	<u>8,328,642</u>	<u>3,650,381</u>	<u>21,452,304</u>
NET PROFIT	<u>P 308,363,043</u>	<u>P 360,745,908</u>	<u>P 277,598,454</u>	<u>P 186,490,491</u>	<u>P 245,645,310</u>	<u>P 250,462,043</u>
Earnings Per Share (Basic and Diluted)	21 <u>P 0.169</u>	<u>P 0.198</u>	<u>P 0.313</u>	<u>P 0.102</u>	<u>P 0.135</u>	<u>P 0.054</u>

	Notes	2019	2018	2017	2019	2018	2017
NET PROFIT		P 308,363,043	P 360,745,908	P 277,598,454	P 186,490,491	P 245,645,310	P 250,462,043
OTHER COMPREHENSIVE INCOME (LOSS)							
Items that will not be reclassified subsequently to profit or loss:							
Revaluation of vessels	9	37,789,866	85,818,163	50,288,956	116,219,509	85,818,163	50,288,956
Tax income	19	(34,865,853)	(25,745,449)	(14,507,468)	(34,865,853)	(25,745,449)	(15,086,687)
Currency exchange differences on translating financial statements of foreign operations	2	715,045	-	(81,660)	684,684	-	-
Remeasurement of post-employment benefit obligation	17	-	-	(1,930,731)	-	-	-
Other Comprehensive Income - net of tax		3,639,058	60,072,714	33,769,097	82,038,340	60,072,714	35,202,269
TOTAL COMPREHENSIVE INCOME		P 312,002,101	P 420,818,622	P 311,367,551	P 268,528,831	P 305,718,024	P 285,664,312

See Notes to Interim Consolidated Financial Statements.

CHELSEA LOGISTICS AND INFRASTRUCTURE HOLDINGS CORP. AND SUBSIDIARIES
 (Formerly Chelsea Logistics Holdings Corp.)
 (A Subsidiary of Udenna Corporation)
 CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE SIX MONTHS ENDED JUNE 30, 2019, 2018 AND 2017
 (Amounts in Philippine Pesos)
 (Unaudited)

Notes	Attributable to Owners of the Parent Company						Non-controlling Interest	Total Equity	
	Capital Stock	Additional paid-in Capital	Revaluation Reserves	Other Reserves	Retained Earnings	Total			
Balance at January 1, 2019							P		
As previously stated	P 1,821,977,615	P 9,998,370,157	P 1,497,869,655	(P 1,058,033,280)	P 484,769,058	P 12,744,953,205	P 180,000,000	P 12,924,953,205	
Impact of change in accounting policy	-	-	-	-	(14,587,049)	(14,587,049)	-	(14,587,049)	
As restated	1,821,977,615	9,998,370,157	1,497,869,655	(1,058,033,280)	470,182,009	12,730,366,156	180,000,000	12,910,366,156	
Total comprehensive income for the period	-	-	3,639,058	-	308,363,043	312,002,101	-	312,002,101	
Transfer of revaluation reserves through depreciation, net of tax	20	-	(57,379,088)	-	57,379,088	-	-	-	
Balance at June 30, 2019	20	P 1,821,977,615	P 9,998,370,157	P 1,444,129,625	(P 1,058,033,280)	P 835,924,140	P 13,042,368,257	P 180,000,000	P 13,222,368,257
Balance at January 1, 2018							P		
Total comprehensive income for the period	P 1,821,977,615	P 9,998,370,157	P 1,429,917,004	(P 1,058,033,280)	P 965,156,916	P 13,157,388,412	P -	P 13,157,388,412	
Transfer of revaluation reserves through depreciation, net of tax	-	-	(21,493,622)	-	21,493,622	-	-	-	
Balance at June 30, 2018	20	P 1,821,977,615	P 9,998,370,157	P 1,468,496,096	(P 1,058,033,280)	P 1,347,396,446	P -	P 13,578,207,034	
Balance at January 1, 2017							P		
Issuance of shares during the period	20	P 500,000,000	P -	P 1,370,998,267	(P 1,058,033,280)	P 747,704,000	P -	P 1,560,668,987	
Total comprehensive income for the period	775,384,615	5,272,615,385	-	-	-	6,048,000,000	-	6,048,000,000	
Transfer of revaluation reserves through depreciation, net of tax	-	-	33,769,097	-	277,598,454	311,367,551	-	311,367,551	
Balance at June 30, 2017		P 1,275,384,615	P 5,272,615,385	P 1,397,986,930	(P 1,058,033,280)	P 1,032,082,888	P -	P 7,920,036,538	

See Notes to Interim Consolidated Financial Statements.

CHELSEA LOGISTICS AND INFRASTRUCTURE HOLDINGS CORP. AND SUBSIDIARIES
(Formerly Chelsea Logistics Holdings Corp.)
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CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2019, 2018 AND 2017
(Amounts in Philippine Pesos)
(Unaudited)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 280,111,472	P 374,316,494	P 309,900,912
Adjustments for:				
Depreciation and amortization	9	553,893,575	389,546,053	242,486,998
Interest expense	17	515,971,577	291,736,850	172,162,023
Share in net loss (income) of an associate	10	59,891,444	(55,978,411)	(62,386,769)
Interest income	17	(3,289,681)	(6,553,091)	(775,211)
Unrealized foreign currency exchange losses - net	17	-	47,938,161	49,463,508
Operating profit before working capital changes		1,406,578,387	1,041,006,055	710,851,461
Increase in trade and other receivables		(376,438,725)	(367,768,654)	(243,507,347)
Decrease (increase) in inventories		44,616,041	(99,526,915)	(89,197,237)
Decrease (increase) in advances to related parties		1,600,967,711	(12,900,493)	(4,520,278,325)
Decrease (increase) in other current assets		22,683,356	(1,560,896,297)	(757,311,639)
Increase in post-employment benefit asset		-	42,223	2,919,518
Decrease (increase) in other non-current assets		(102,989,425)	(107,321,193)	1,480,174
Increase in trade and other payables		762,539,254	859,189,506	(353,540,979)
Increase (decrease) in other non-current liabilities		(8,633,246)	3,761,654	(10,627,411)
Cash generated from (used in) operations		3,349,323,353	(244,414,114)	(5,259,211,785)
Interest received		3,289,681	6,553,091	775,211
Cash paid for income taxes		(171,018)	(61,436,907)	(75,957,513)
Net Cash From (Used in) Operating Activities		<u>3,352,442,016</u>	<u>(299,297,929)</u>	<u>(5,334,394,087)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property and equipment	9	(1,525,910,849)	(3,676,804,748)	(494,785,345)
Acquisitions of subsidiaries and additions to interest in a joint venture	10, 23	(542,411,062)	-	(5,000,000)
Proceeds from disposal of property and equipment	9	-	100,416,137	1,127,565
Net Cash Used in Investing Activities		<u>(2,068,321,911)</u>	<u>(3,576,388,611)</u>	<u>(498,657,780)</u>
Balance carried forward		<u>P 1,284,120,105</u>	<u>(P 3,875,686,540)</u>	<u>(P 5,833,051,867)</u>

	Notes	2019	2018	2017
<i>Balance brought forward</i>		P 1,284,120,105	(P 3,875,686,540)	(P 5,833,051,867)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayments of interest-bearing loans	12	(1,715,835,774)	(363,218,618)	(2,180,826,565)
Proceeds from advances from related parties	19	538,455,795	8,693,164	886,930,169
Interest paid	17	(458,557,806)	(278,718,529)	(167,562,023)
Proceeds from interest-bearing loans	12	325,800,000	4,206,661,487	7,703,762,311
Repayments of advances from related parties	19	(35,203,829)	(43,000,000)	(896,011,047)
Collection of subscription receivable	20	-	-	350,000,000
Net Cash From Financing Activities		(1,345,341,614)	3,530,417,504	5,696,292,845
Effect of Changes in Foreign Exchange Rates on Cash and Cash Equivalents		1,482,359	(21,966,883)	3,248,100
NET DECREASE IN CASH AND CASH EQUIVALENTS		(59,739,150)	(367,235,919)	(133,510,922)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		443,495,969	1,441,704,190	508,940,431
CASH AND CASH EQUIVALENTS AT END OF PERIOD		P 383,756,819	P 1,074,468,271	P 375,429,509

Supplemental Information for Non-cash Investing and Financing Activities:

In 2019 and 2018, the Group acquired certain transportation equipment through obtaining mortgage loans from a local bank totaling P9.3 million and P1.4 million, respectively (see Notes 9 and 12).

In 2019, the Group acquired certain machinery and equipment amounting to P786.5 million through a sale and leaseback agreement with a local bank (see Note 12).

See Notes to Interim Consolidated Financial Statements.